

8166. By Mr. CULLEN: Petition of District Council United Brotherhood Carpenters and Joiners of America, Cook County, Ill., urging the Congress to authorize an appropriation for private building construction, and that in issuing to banks money for that purpose provisions be made requiring and specifically stipulating that funds so appropriated shall be loaned for building construction in amounts consistent with sound financing; to the Committee on Ways and Means.

8167. By Mr. DRANE: Petition of citizens of Arcadia, Fla., supporting House bill 9891 and opposing House bill 10023; to the Committee on Interstate and Foreign Commerce.

8168. By Mr. GARBER: Petition of the Oklahoma Mortgage Association, urging support of the economy bill, the reduction of Federal salaries; that all appropriations except those imperatively necessary for the proper functioning of the Government be opposed and all economies supported; to the Committee on Ways and Means.

8169. Also, petition of the Southwestern Lumbermen's Association, urging support of the home loan bank bill; to the Committee on Banking and Currency.

8170. Also, petition of the Oklahoma Millers' Association, urging substantial reductions in the expense of government and the balancing of the Budget; to the Committee on Ways and Means.

8171. Also, petition of Oklahoma Millers' Association, expressing opposition to any form of dole by the Federal Government and to the proposed gift of any more Government wheat to charitable organizations, but urging, in the event the Government does donate more Farm Board wheat to the Red Cross, that in order to prevent economic waste the Red Cross be permitted to sell such wheat where it be given and buy wheat in the neighborhood of the localities to which needed flour is to be delivered; to the Committee on Ways and Means.

8172. Also, petition of the Ohio Emergency Committee, urging immediate and drastic reduction in cost of government, the balancing of the Budget without class prejudice; harmony and cooperation between the legislative and administrative branches of our Government all through this period of reconstruction, and for an early recessing of Congress; to the Committee on Ways and Means.

8173. Also, petition of Central Union of the Woman's Christian Temperance Union, Oklahoma City, Okla., opposing the amendment or resubmission of the prohibition amendment; to the Committee on the Judiciary.

8174. By Mr. HADLEY: Petition of citizens of Sultan and Startup, Wash., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

8175. By Mr. KVALE: Petition of the American Legion, Minneapolis, Minn., protesting against the enactment of Senate bill 2687 into law; to the Committee on Interstate and Foreign Commerce.

8176. Also, petition of 65 members of the Methodist Episcopal Church, Lynd, Minn., urging enforcement of the eighteenth amendment; to the Committee on the Judiciary.

8177. Also, petition of second district, Land O'Lakes Creameries, Minneapolis, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

8178. Also, petition of four locals of the Farmers' Union and the citizens of Pennock, Minn., urging enactment of the Goldsborough bill and also Senate bill 1197; to the Committee on Banking and Currency.

8179. By Mr. LINDSAY: Petition of Bank of New York & Trust Co., New York City, opposing a tax on checks; to the Committee on Ways and Means.

8180. Also, petition of Luckenbach Steamship Co. (Inc.), New York City, favoring the passage of Senate bill 4491; to the Committee on Interstate and Foreign Commerce.

8181. Also, petition of United Brotherhood of Carpenters and Joiners, Chicago, Ill., urging appropriations for public works to relieve unemployment; to the Committee on Ways and Means.

8182. Also, petition of the American Automobile Association, Washington, D. C., favoring the passage of Senate bill

4523; to the Committee on Interstate and Foreign Commerce.

8183. Also, petition of Leonard Pratt, radio operator steamship *Cities Service Empire*, at Port Arthur, Tex., opposing House bill 6385; to the Committee on Merchant Marine, Radio, and Fisheries.

8184. By Mr. RUDD: Petition of Fourteenth Regiment, Camp No. 14, United Spanish War Veterans, of Brooklyn, N. Y., opposing the so-called pauper clause as proposed by the Senate Economy Committee; to the Committee on Economy.

8185. Also, petition of Naval Camp, No. 49, Brooklyn, N. Y., United Spanish War Veterans, opposing the so-called pauper clause as proposed by the Senate Economy Committee; to the Committee on Economy.

8186. By the SPEAKER: Petition of the National Economy League, presenting a brief supporting the petition for a redress of grievances presented to the President and to Congress on May 5, 1932; to the Committee on World War Veterans' Legislation.

8187. Also, petition of Waukegan-North Chicago Chamber of Commerce, urging Congress to pass a \$5,000,000,000 bond issue for construction purposes; to the Committee on Ways and Means.

8188. Also, petition of a delegation from the first congressional district of the State of Texas, urging Congress to repeal the agricultural marketing act; to the Committee on Agriculture.

SENATE

TUESDAY, JUNE 7, 1932

(Legislative day of Wednesday, June 1, 1932)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

The VICE PRESIDENT. The Senator from New Mexico [Mr. BRATTON] is entitled to the floor.

Mr. JONES. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|----------|--------------|-------------|----------------|
| Ashurst | Cutting | Jones | Robinson, Ark. |
| Austin | Dale | Kean | Robinson, Ind. |
| Bankhead | Davis | Kendrick | Schall |
| Barbour | Dickinson | Keyes | Sheppard |
| Barkley | Dill | King | Shortridge |
| Bingham | Fletcher | La Follette | Smith |
| Blaine | Frazier | Lewis | Smoot |
| Borah | George | Logan | Thomas, Idaho |
| Bratton | Glass | McGill | Thomas, Okla. |
| Bulkeley | Glenn | McKellar | Townsend |
| Bulow | Goldsborough | McNary | Trammell |
| Byrnes | Hale | Metcalf | Tydings |
| Capper | Harrison | Moses | Vandenberg |
| Caraway | Hastings | Neely | Wagner |
| Carey | Hatfield | Norris | Walcott |
| Cohen | Hawes | Nye | Walsh, Mass. |
| Connally | Hayden | Oddie | Walsh, Mont. |
| Coolidge | Hebert | Patterson | Watson |
| Costigan | Howell | Pittman | Wheeler |
| Couzens | Johnson | Reed | White |

Mr. SHEPPARD. I wish to announce that the senior Senator from Virginia [Mr. SWANSON] is necessarily absent as a member of the Geneva conference and that the junior Senator from Louisiana [Mr. LONG] is necessarily absent from the city.

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present.

THE JOURNAL

Mr. McNARY. Mr. President, I ask unanimous consent for the approval of the Journal for the calendar days of Wednesday, Thursday, Friday, Saturday, and Monday, June 1, 2, 3, 4, and 6.

The VICE PRESIDENT. Without objection, it is so ordered.

GOVERNMENT SECURITIES HELD BY FEDERAL RESERVE BANKS
(S. DOC. NO. 99)

The VICE PRESIDENT laid before the Senate a letter from the Governor of the Federal Reserve Board, transmit-

ting, in response to Senate Resolution No. 211 (agreed to May 10, 1932), information relative to the amount of Government securities held by the Federal reserve banks, together with the total purchases and sales (including maturities) of such securities by months, from January, 1919, to April, 1932, which, with the accompanying table, was referred to the Committee on Banking and Currency and ordered to be printed.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a telegram in the nature of a memorial from the All Cossacks Stanitza Fraternal & Benevolent Association (Inc.), of New York City, N. Y., remonstrating against recognition of the Soviet Government of Russia, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a telegram from Kuntz, chairman Colonial Council, St. Thomas, Virgin Islands, relative to legislation for the Virgin Islands, which was referred to the Committee on Territories and Insular Affairs.

He also laid before the Senate a resolution adopted at a meeting of the Masonic Lyceum, Pittsburgh, Pa., protesting against reduction in the compensation of Federal employees, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the annual convention of the Maryland State and District of Columbia Federation of Labor, expressing appreciation and thanks to the Vice President, Senators, and Representatives in Congress for their support of measures indorsed by organized labor, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the annual convention of the Maryland State and District of Columbia Federation of Labor, favoring the passage of legislation authorizing a bond issue at a low rate of interest to the extent of \$5,000,000,000 for the purpose of financing a large public-works program, so as to stimulate business and aid in unemployment relief, which was referred to the Committee on Banking and Currency.

He also laid before the Senate resolutions adopted by the councils of the cities of North Chicago and South Beloit, Ill., favoring the passage of legislation providing a substantial bond issue, the proceeds therefrom to be devoted to aiding municipalities in financing public-improvement projects, so as to furnish employment and aid industry, which were referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution adopted by the supervisors of the City and County of San Francisco, Calif., favoring the passage of legislation providing a substantial bond issue for financing a Federal program of public works and of assistance to local communities, so as to aid in the relief of unemployment, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution adopted by officers and members of Local Chapter No. 222, Railroad Employees' National Pension Association (Inc.), representing railroad, express, and Pullman employees in the East Bay District, comprising Oakland, Alameda, Berkeley, Richmond, and vicinity, in the State of California, favoring the passage of legislation providing a \$5,000,000,000 bond issue for the inauguration of a public-works program, so as to relieve the unemployment situation, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a letter from T. H. Bowman, of McKeesport, Pa., inclosing a plan for ending the depression by the passage of legislation guaranteeing bank deposits by the United States, requiring banks to loan money in the district where they get it, etc., which, with the accompanying paper, was referred to the Committee on Banking and Currency.

He also laid before the Senate a concurrent resolution of the Legislature of the State of Louisiana, which was referred to the Committee on Banking and Currency, as follows:

House Concurrent Resolution No. 15 (by Mr. Wimberly)

Whereas on account of the economic depression which has so lowered the selling price of all agricultural products to such a

level that according to the Department of Agriculture the selling price is but 59 per cent of the pre-war price, while the prices paid for goods is 114 per cent of pre-war level, thereby making it impossible for the farmer to pay his normal obligations; and

Whereas on account of the abnormally high taxes on real estate, which taxes must be paid in order to avoid foreclosure by the State; and

Whereas the farmer to-day is laboring under the constant threat of foreclosure of his property by Federal land banks, thereby reducing his ability to concentrate on his labors as to give a maximum of efficiency in producing a liquidating medium through which his obligations may be paid; and

Whereas banks, railroads, building loan associations, insurance companies, and the other departments of finance and industry have been aided in a material way through the Reconstruction Finance Corporation; and

Whereas agriculture is the foundation upon which each of these above-enumerated industries are founded and without which they could not exist or ever recover from their present economic and financial depression; and

Whereas the farmer has not had any aid from any department of the Government to help rehabilitate himself and get back on the road to recovery thereby firmly fixing that foundation upon which every department of our great Nation stands, save only for that transient and temporary short-time aid for seed and feed to produce a crop, which help does not in any way relieve the burden of mortgage indebtedness constantly accruing and maturing against him; and

Whereas the date of final payment of any extension on mortgage indebtedness is near at hand and no possible way to liquidate them from the growing crops or any other now available method save only through and by a foreclosure and sale of the mortgaged property held as collateral, which action would bankrupt and make homeless and even beggars of thousands of farmers who to-day are good citizens; and

Whereas a 1-year extension does not give the relief asked, for the reason that it brings about a doubling up of the payments within the 1-year period, making them both fall due at one and the same time, when under the present price of cotton and other agricultural products it would be impossible to meet either at this time; and

Whereas it is necessary that the farmers be given a respite from these matured and maturing obligations in order that he may readjust his affairs and adapt himself and his activities to the new order and level of his income, which adjustment will require a few years to properly arrange; and

Whereas this is a condition that is produced through a worldwide calamity over which the farmer has no control and a condition that only the national governments of the world can possibly handle through cooperation and tender application of demand against distressed credits of the farm home owners; and

Whereas the application of the appropriation as made by the National Congress, wherein it is provided that the appropriation may be used to help the farmers in distress at the discretion of the Federal land banks, does not and has not given any equitable relief: Therefore, be it

Resolved by the Legislature of the State of Louisiana, That you do hereby petition and earnestly request the United States Congress, now in session, take cognizance of this deplorable distressed condition of the farm home owners of Louisiana and other sections of the United States, and provide a means of relief for them by allowing and instructing either the Reconstruction Finance Corporation or such other department as in your wisdom can handle the matter, to take up the past-due installments now held by the Federal land banks of the country, and at least two and preferably three of the first maturing other installments held by them, having all rights therein subordinated to that department designated as the holder of those installments, and to extend the payment of those to come due in their regular order immediately after the last remaining installment then held by the Federal land banks mature: Provided, That the interest on these deferred payments be paid annually to the holder until its final maturity date at which time the installment itself shall be liquidated. Or adopt and put into operation such other plan as will bring about the same necessary and essential relief and extension of time: Be it further

Resolved, That a copy of this resolution be sent to each of the Congressmen and Senators of the United States, the speaker of the Congress, the President, and Vice President of the United States.

I hereby certify that this is a true and correct copy as adopted by the House and Senate, June 1, 1932.

E. R. STOKER, Clerk.

Mr. ASHURST presented a telegram in the nature of a memorial from V. C. Murphy, post department commander United Spanish War Veterans, of Globe, Ariz., remonstrating against the insertion of the so-called pauper clause and the reduction of pensions of certain veterans in pending legislation, which was ordered to lie on the table.

He also presented telegrams in the nature of memorials from C. G. Dolman, of Kingman, and Dr. J. E. Coberly, commander, Roosevelt Camp No. 11, of Mesa, in the State of Arizona, remonstrating against inclusion in the pending

legislative appropriation bill of provisions affecting veterans' pensions, etc., which were ordered to lie on the table.

He also presented telegrams in the nature of memorials from Federal Employees Local Union No. 255, Tuba City, and John D. Keeley, president, and Edmund G. Warren, secretary-treasurer, Federal Employees Local Union No. 246, of Keams Canyon, in the State of Arizona, remonstrating against reduction in the compensation of Federal employees, which were ordered to lie on the table.

GRASSHOPPER MENACE

Mr. BORAH. Mr. President, I have a telegram from Mr. F. E. Murphy, of the Minneapolis Tribune, concerning a situation in that part of the country about which they desire legislation. I ask that it may be incorporated in the Record.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

MINNEAPOLIS, MINN., June 6, 1932.

HON. WILLIAM BORAH,

United States Senate, Washington:

Alarming crisis only justification for burdening you with special appeal during these trying days of strenuous nerve-racking effort. Spring wheat belt has prospect bumper crop, which might loosen key log of economic jam. Now confronted with acute grasshopper menace, which threatens wipe out crops Dakotas, Minnesota, and adjoining States as completely as rosebud country year ago, where every spear of grass, every corn stubble was eaten off, leaving fields as clean as polished floor. Billion eggs from Mississippi to Rockies hatching out during current warm spell. Cool weather delayed threat until now. Northwest will need Federal appropriation included Department Agriculture bill within 10 days. Earnestly appeal you use your influence have Senate act on department bill when economy measure disposed of. We stand lose from five million to half billion dollars, and this might be averted if Congress acts. Have canvassed situation carefully; project can not be sufficiently financed locally.

F. E. MURPHY.

FEDERAL FARM BOARD

Mr. FRAZIER. Mr. President, I ask unanimous consent to have printed in the Record a copy of a letter from the Secretary of the North Dakota Cooperative Wool Marketing Association to Mr. Denman, of the Federal Farm Board, in which the North Dakota cooperative express their thanks and appreciation for the assistance given by the Federal Farm Board to the cooperative wool pool in North Dakota.

There being no objection, the letter was ordered to be printed in the Record as follows:

NORTH DAKOTA COOPERATIVE WOOL MARKETING ASSOCIATION,
Fargo, N. Dak., June 3, 1932.

Mr. C. E. DENMAN,

Federal Farm Board, Washington, D. C.

DEAR MR. DENMAN: We have received within the course of the last few days, scores of letters from members of our organization expressing their thanks and appreciation for the very fine returns on the 1931 pool.

We have just about completed distribution of almost \$50,000 in checks and it has certainly created a wonderful spirit and at a time it was most needed by the wool co-ops. Of course, we have no way of determining what the average prices paid for wool in our State amount to, but growers inform us that they have received from 3 to 5 cents more for their wool from the co-op than could have been obtained from any other source. We realize there are many perhaps who sold for a fair price last spring, but, in our opinion, the average returns through the pool amount to strong 3 cents above the average North Dakota fleece wool price. Growers in North Dakota generally feel very nice toward the Federal Farm Board, and we want to take this means of expressing our thanks and appreciation for the wonderful financial and moral assistance given us by the Farm Board.

With kind regards, I am yours very truly,

A. C. BJERKEN,
Secretary and Treasurer.

WAR DEPARTMENT APPROPRIATIONS (REPT. NO. 773)

Mr. REED, from the Committee on Appropriations, to which was referred the bill (H. R. 11897) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1933, and for other purposes, reported it with amendments and submitted a report thereon.

Mr. REED subsequently said: With regard to the Army appropriation bill, which I reported an hour or so ago, I am informed by the clerk that there are errors in several of the figures. I ask unanimous consent that the bill may be rereferred to the Committee on Appropriations so that the errors may be corrected.

The VICE PRESIDENT. Without objection, that order will be made.

Mr. REED subsequently said: I ask unanimous consent to report back again with amendments from the Committee on Appropriations House bill 11897, the Army appropriation bill, in which I think we now have our figures correct, and I submit a report thereon.

The VICE PRESIDENT. Without objection, the bill will be received and placed on the calendar.

REPORTS OF COMMITTEES

Mr. BLAINE, from the Committee on the Judiciary, to which was referred the bill (S. 3531) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, and acts in amendment thereof, reported it without amendment and submitted a report (No. 774) thereon.

Mr. VANDENBERG, from the Committee on Commerce, to which was referred the bill (S. 4778) granting the consent of Congress to the Niagara Frontier Bridge Commission, its successors and assigns, to construct, maintain, and operate a toll bridge across the east branch of the Niagara River at or near the city of Tonawanda, N. Y., reported it with amendments and submitted a report (No. 775) thereon.

ENROLLED BILLS PRESENTED

Mr. VANDENBERG (for Mr. WATERMAN), from the Committee on Enrolled Bills, reported that on to-day, June 7, 1932, that committee presented to the President of the United States the following enrolled bills:

S. 432. An act granting permission to Harold I. June to transfer to the Fleet Reserve of the United States Navy;

S. 4401. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr.;

S. 4581. An act to extend the times for commencing and completing the construction of a bridge across the St. Clair River at or near Port Huron, Mich.;

S. 4635. An act authorizing the Commonwealth of Kentucky, by and through the State Highway Commission of Kentucky, or the successors of said commission, to construct, maintain, and operate a toll bridge across the Ohio River at or near Owensboro, and permitting the Commonwealth of Kentucky to act jointly with the State of Indiana in the construction, maintenance, and operation of said bridge; and

S. 4636. An act authorizing the Commonwealth of Kentucky, by and through the State Highway Commission of Kentucky, or the successors of said commission, to construct, maintain, and operate a toll bridge across the Ohio River at or near Cairo, Ill., and permitting the Commonwealth of Kentucky to act jointly with the State of Illinois in the construction, maintenance, and operation of said bridge.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably several nominations of postmasters.

Mr. BLAINE, from the Committee on the Judiciary, reported favorably the nomination of Robert E. Mattingly, of the District of Columbia, to be a judge of the municipal court of the District of Columbia.

Mr. HEBERT, from the Committee on the Judiciary, reported favorably the nomination of Cecil H. Clegg, of Alaska, to be district judge, District of Alaska, division No. 3, to succeed E. Coke Hill, appointed district judge, District of Alaska, division No. 4.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMOOT:

A bill (S. 4838) for the relief of Mr. and Mrs. G. W. Lambourne; to the Committee on Claims.

By Mr. ROBINSON of Indiana:

A bill (S. 4839) granting a pension to Mary J. Rosenbaum (with accompanying papers); to the Committee on Pensions.

By Mr. NORBECK:

A bill (S. 4840) taxing certain excess deposits of national banks; to the Committee on Banking and Currency.

By Mr. LEWIS:

A bill (S. 4841) granting an increase of pension to Nancy C. Austin; to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 4842) granting a pension to James L. Smith; to the Committee on Pensions.

By Mr. HARRISON:

A bill (S. 4843) granting a pension to Vivian C. Bogle; to the Committee on Pensions.

By Mr. FLETCHER:

A bill (S. 4844) for the relief of C. N. Hildreth, jr.; to the Committee on Claims.

AMENDMENT TO LEGISLATIVE APPROPRIATION BILL

Mr. BINGHAM submitted an amendment intended to be proposed by him to House bill 11267, the legislative appropriation bill, which was ordered to lie on the table and to be printed, as follows:

On page 46, after line 19, insert:

"(g) Per diem workers receiving less than \$3.50 per day other than those whose compensation is adjustable to conform to the prevailing local rate for similar work."

PRINTING OF ADDITIONAL COPIES OF REVENUE ACT

Mr. MOSES submitted a concurrent resolution (S. Con. Res. 30), which was considered by unanimous consent and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring). That there be printed 41,000 additional copies of Public Law No. 154, known as the revenue act of 1932, of which 13,000 copies shall be for the use of the Senate document room, 25,000 copies for the use of the House document room, 1,000 copies for the use of the Committee on Finance of the Senate, and 2,000 copies for the use of the Committee on Ways and Means of the House of Representatives.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States, submitting sundry nominations, were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on to-day, June 7, 1932, the President approved and signed the following acts:

S. 154. An act for the relief of Amy Harding;

S. 669. An act for the relief of Chester J. Dick; and

S. 2325. An act for the relief of the United States Hammered Piston Ring Co.

LEGISLATIVE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 11267) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes, the pending question being on the amendment proposed by Mr. MOSES, as modified.

Mr. BRATTON. Mr. President, let me assure the Senate at the outset that I shall take only a few moments in voicing my convictions respecting the pending amendment. In the first place, the proposal met with disapproval in the body at the other end of the Capitol. That fact, it seems to me, should receive appropriate consideration here.

Next, Mr. President, we are engaged in an effort to effect economies, to curtail expenditures, to reduce appropriations, to retrench in Government expenses, as a contribution toward restoring the Budget to a balanced basis and maintaining stability of Government securities in the meantime. Under the proposal advanced by the committee a saving of \$121,500,000 was effected. After the amendment sponsored by the Senator from Maryland [Mr. TYDINGS] was adopted that saving was reduced to approximately \$117,000,000. That, Mr. President, is the condition of the legislation now.

The amendment proposed by the Senator from New Hampshire [Mr. MOSES] will reduce that sum to approximately \$85,000,000, or a loss of \$32,000,000 in the economies to be effected through the legislation. Quite aside from the

other phases of the problem, that fact is entitled to weight here. The administration portrays itself throughout the country as the champion of economy. It has assumed that attitude through the press. It has assumed that attitude in declarations emanating from the White House and otherwise. Yet every effort made by Congress to reduce appropriations touching any of the executive departments has met with solemn protests from the Cabinet officer presiding over the department concerned. Instead of being furnished with much-needed information to effect substantial economies in the operating expenses of the various departments, Congress has been challenged at the threshold with a statement from the Cabinet officer in each case that the appropriation must not be reduced, else the department would be crippled in its efficiency.

Mr. President, in addition to that, we are confronted to-day with the Senator from New Hampshire [Mr. MOSES] championing an amendment to the pending bill which would reduce the saving from \$117,000,000 to \$85,000,000; a loss of \$32,000,000, and in that effort he is supported by the leader of the majority, the distinguished Senator from Indiana [Mr. WARSON]—all of that in the face of the claim and the oft-repeated assertion that the administration is leading the movement in behalf of economy.

The matter of effecting economy should not be partisan. It should have no political complexion. I assure the Senate that throughout the deliberations of the special committee of six no partisan consideration entered. We were inspired by a common desire. We were moved by a common purpose. We were actuated by a common design, and that was to effect economy. The alternative here is whether we shall economize to the extent of \$117,000,000 during the temporary period of 12 months, as proposed by the committee, and then return to the present level, or whether we are going to economize to the extent of only \$85,000,000 during the temporary period of 12 months, as proposed by the Senator from New Hampshire, and then return to the present level.

Yesterday afternoon the distinguished Senator from New Hampshire [Mr. MOSES], likewise the distinguished Senator from Michigan [Mr. VANDENBERG], asserted that the pending amendment would maintain the existing standard during the ensuing period of one year; but, Mr. President, that argument has no foundation; it has no support; because under each proposal the present standard is to be resumed at the end of 12 months. The only point to be considered is the method of effecting the reduction during the ensuing period of one year, for, under either proposal, and without further action by Congress at the end of that time we return to the present level and the present standard goes forward.

Moreover, Mr. President, as was pointed out by the Senator from South Carolina [Mr. BYRNES], a member of the committee which has dealt with this measure, under the committee proposal the reduction is uniform; it is without exception; it is without discrimination; it is without partiality; but under the pending substitute that is not true. For instance, rural mail carriers, instead of bearing a cut of 10 per cent, will be required to submit to a cut of 13 per cent, because their allowances will be reduced under section 103, which provides:

During the fiscal year ending June 30, 1933, payments for equipment maintenance to carriers in the Rural Mail Delivery Service shall be three-eighths of the amount now provided by law.

Of course, that will meet with objection; of course, it will be asserted that it is discrimination against rural mail carriers as compared with other employees of the Federal Government. Of course, rural mail carriers are as faithful employees as are those in any other department of the Government, and should not be singled out and an additional burden of that character imposed upon them. It was the purpose of the committee in agreeing to a flat horizontal cut to obviate any such discrimination as that.

Again, Mr. President, under the furlough system it is impossible to calculate definitely how much will be saved, because no one can foresee how many substitutes will be necessary or, indeed, how many substitutes will be employed.

Under the pending amendment it is provided that no employee shall be exempted from the furlough plan unless his services can not be dispensed with or a satisfactory substitute can not be provided, thus leaving open for some one to determine how many substitutes are needed and how much money shall be expended for substitutes under the furlough system. Of course, that injects into the situation an uncertain factor which no one can calculate with definiteness, whereas the plan proposed by the committee is not laden nor surcharged nor saturated with any such uncertainty. It is definite; it is fixed and it gives every employee the confident assurance that during the year his income will be a certain amount, and he can budget his household affairs and his other business affairs accordingly.

Mr. President, it was stated by the distinguished Senator from New Hampshire yesterday that the employees affected prefer the furlough plan. I can not agree with him in that statement; at least, there is a division of sentiment among the employees. Some of them prefer to know definitely how much they are going to receive during the next year; some of them prefer not to have a superior determine the method in which the furlough plan shall be administered; some of them prefer the flat cut as their contribution in this period of distress and trial.

Those who favor the furlough plan perhaps do not overlook the fact that the reduction in total salaries under that system is only \$85,000,000, whereas the reduction under the committee proposal is now \$117,000,000.

Mr. COSTIGAN. Mr. President—

The PRESIDING OFFICER (Mr. PATTERSON in the chair). Does the Senator from New Mexico yield to the Senator from Colorado?

Mr. BRATTON. Yes; I yield.

Mr. COSTIGAN. May I direct the attention of the Senator from New Mexico to section 214 of the bill, on page 59? Apparently the committee was of the opinion that it is desirable to retain a furlough provision with the 10 per cent cut. Will the Senator from New Mexico be good enough to explain the purpose in retaining section 214 in the bill?

Mr. BRATTON. Mr. President, I shall be glad to undertake to explain it. It was the purpose of the committee to make the flat 10 per cent cut and to appropriate sufficient money to carry the pay roll at that figure; but the committee felt that, in the immensity of the task, Congress might fail to appropriate sufficient money to accomplish that end. If so, it would be necessary to dismiss employees permanently. Desiring earnestly to obviate that necessity, and believing that it would be better for the faithful employee, should that situation arise, to be given a temporary furlough for as short a period as possible than to be dismissed permanently, we wrote the provision into the bill with the safeguard which I have no doubt the Senator has noticed, namely, that those drawing high salaries should be furloughed first.

We were inspired by an earnest effort to save faithful employees from being dismissed if it should develop during the fiscal year 1933 that, through oversight or miscalculation or otherwise, Congress failed to appropriate sufficient money to pay all employees throughout the year at the 90 per cent rate.

Mr. COSTIGAN. Mr. President, the courteous Senator from New Mexico has stated my understanding of the purpose of the committee. However, I am advised that the present practice of Government departmental heads, without such a provision as this, is from time to time to furlough employees. Moreover, this provision is disturbing in that it authorizes and directs furloughing certain employees of the Government without pay for such time as, in the judgment of the heads of departments or bureaus, is necessary in order to keep within appropriations without discharging employees. In other words, the employee, under this provision, in addition to a 10 per cent cut in compensation, is faced with the possibility of an indeterminate furlough.

This provision has excited reasonable alarm among many Federal employees. May I, therefore, ask the Senator from New Mexico if there is any necessity for changing the present practice of the Government by a definite provision of law

making a specific arrangement for indefinite furloughs within the discretion of the heads of departments?

Mr. BRATTON. Mr. President, as the Senator says, under the present plan the departments furlough employees, and, of course, that is within the discretion of the heads of the departments. So that element exists under either the existing system or the plan contemplated by the provision to which the Senator has addressed himself.

Let me call the Senator's attention to the opening language of the section:

SEC. 214. In order to keep within the appropriations made for the fiscal year 1933, the heads of the various executive departments and independent establishments of the United States Government and the municipal government of the District of Columbia are hereby authorized and directed to furlough, without pay—

And so forth.

Thus clearly indicating, Mr. President, that employees are not to be furloughed unless it is necessary to keep within the appropriations made by Congress. Only in the event the appropriations become insufficient is the furlough system to be brought into play. The committee was actuated by a desire to aid the employees rather than to add to their anxiety of mind or their financial discomfort.

Mr. JONES. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Washington?

Mr. BRATTON. With pleasure.

Mr. JONES. May I suggest also to the Senator that I think the provision was inserted rather as an admonition against the creation of deficiencies, and as an expression, in view of the cutting down of appropriations under the policy we are following, that we want that policy to be carried out, and we do not want the head of a department to have any excuse for creating a deficiency and coming to Congress hereafter and requesting deficiency appropriations.

Mr. BRATTON. Indeed, that was contemplated, and it is an important factor in the equation. It is a warning to the heads of the departments that Congress expects them to live within the appropriations during this abnormal period.

Mr. COSTIGAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Mexico yield further to the Senator from Colorado?

Mr. BRATTON. Yes.

Mr. COSTIGAN. If the Senator from New Mexico will permit me to say so, the warning appears to be at the expense of Federal employees; and it would seem unwise to add a statutory direction of this sort if the present law and practice are adequate.

Mr. BRATTON. Mr. President, I think it is wise to make a declaration of that kind, in the nature of a warning to the heads of the departments that during this period of financial trial deficiencies for the payment of salaries must not be incurred in the expectation that Congress will appropriate the money with which to pay them at the next session. Of course, it is not economy to establish a program of reductions and then permit the executive departments to incur deficiencies, and at the next session of Congress appropriate the money with which to pay those deficiencies. That is a sham under the guise of economy. It is not real economy. The committee had in mind a declaration in the nature of a storm signal set and flying to the heads of the departments that during this period we expect to economize and shall exact of them cooperation by their refraining from incurring deficiencies for salaries.

Mr. DICKINSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Iowa?

Mr. BRATTON. I yield.

Mr. DICKINSON. I want to suggest that to my mind there are a great many difficulties on account of what is known as the Vandenberg amendment to the furlough plan, as agreed to yesterday by the Senator from New Hampshire [Mr. MOSES]. That starts in with \$3,000. It saves the Government practically no money, and yet is an irritation to practically every bureau chief and foreman and man who

has been recognized by a department for efficient service and has been advanced to the higher grades. Therefore, I believe it will do more to disturb harmonious working relations in the departments than anything that has been suggested on this floor.

Mr. BRATTON. Mr. President, I quite agree with the Senator from Iowa. Instead of the amendment strengthening the proposal of the Senator from New Hampshire, it weakens it. It adds so many "humps," if I may so express myself.

Mr. MOSES. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from New Hampshire?

Mr. BRATTON. Yes.

Mr. MOSES. Exercising the right I still have to perfect my amendment, I withdraw my acceptance of the Vandenberg amendment, and that can then be submitted to the vote of the Senate directly.

Mr. BRATTON. The Senator from New Hampshire can not be in quite as good a mood as he was yesterday, because he then accepted every amendment proposed with such rapidity that those of us on this side of the aisle could scarcely keep pace with the parliamentary developments.

Mr. MOSES. If the Senator will further permit me, I thought the Senator from New Mexico and others who shared his views would be willing to let the matter go to conference. Finding, however, that they were in such mood, and finding this morning that the Senator from New Mexico is in stern resistance to anything which affects the sacrosanct program that his special subcommittee brought in, I now resort to the other course. I wish to say, however, that I thoroughly respect the Senator from New Mexico for standing by the report found by the special subcommittee, because that is the essence of a good soldier.

Mr. BRATTON. With the widely known and universally recognized acumen of the Senator from New Hampshire, I am unable to understand how he entertained the belief that I would agree to accept the amendment and let the matter go to conference. At the outset a substantial number of the committee favored the furlough plan; but the more it was considered, the more it was canvassed, the more the members came together in the belief that harsh though it may be, the flat horizontal cut was the best way to effect the necessary economies; and, as one member of the committee, I adhere to that position. It will weaken the legislation, it will impose upon the employees themselves, if the furlough plan is substituted.

So, Mr. President, in conclusion, having previously addressed myself at length to the committee's proposal, I express the hope that the views already voiced by members of the committee will prevail, and that the substitute will not be adopted.

Mr. McKELLAR. Mr. President, I indorse fully what has already been so well said by my associates on the committee about the furlough plan. I shall content myself, therefore, with just stating the essential objections to that plan as I see them.

The first is that the plan can not be applied to all the employees of the Government. It can not be applied to rural carriers. It can not be applied to city carriers. It can not be applied to policemen; and to many other groups of employees it can not be applied. It therefore brings about discrimination and inequalities which the Senate should not indorse. The opportunity for preferential treatment is entirely too great under the furlough plan.

In the next place, Mr. President, it is essentially a bureaucratic plan. Of course, the bureau chiefs will feel that they should be exempt from the plan, and no doubt they will be. While they will no doubt apply it to subordinates, there will be few who will apply it to themselves. Really this furlough plan can well be called the plan of the bureaucrats.

In the next place, the very fact that no two of the promoters of this plan seem to agree upon it, or seem to agree upon what provisions it should contain, shows that it has not been well considered. Again, it will not produce as

much by at least \$40,000,000 as does the plan already agreed upon by the Senate.

This furlough plan and all other plans were before the committee. The committee unanimously rejected all other plans and unanimously reported the 10 per cent reduction plan, and I believe it is the fairest and most just way of handling the situation.

I want to add that when I went into the consideration of this matter it seemed to me that there ought to be a smaller cut of the smaller salaries; but upon the most careful consideration, upon full argument in the committee, and upon all the facts being adduced, I was led to change my mind. I believed then, and believe now, that the fairest, the most just way of bringing about a reduction is the 10 per cent plan of handling the matter.

Finally, Mr. President, the President himself has accepted the plan of the committee and suggested that he would approve its terms in this bill. Therefore it seems to me that, regardless of personal or individual objection to it, we should uphold the committee, join with the President in his acceptance of the plan, and adopt the 10 per cent reduction plan as passed on Saturday.

Having said that much about the immediate question, I desire now to speak very briefly upon the merits of the pay cut generally. Although a member of the Economy Committee, because of illness I have not heretofore felt able to discuss the matter; but in justice to myself and in justice to the Federal employees and to the Government, I wish to express simply my conclusions about the whole matter.

Mr. President, I have uniformly voted for every increase in the salaries of Federal employees. Not only that; I have earnestly supported these increases in committee, on the floor of the Senate, and publicly. Then we had the money in the Treasury, and I believe my action was entirely right and proper. Reducing them now, when the Government is so far behind in its obligations, seems to be a virtual necessity, and I am for it, but only with the greatest and sincerest regret.

This very year, the first 11 months of the fiscal year, the Government's revenue was \$1,700,000,000, in round numbers. Its expenditures, in round numbers, for the same period have been nearly \$4,400,000,000, with a deficit up to date for this year of more than \$2,600,000,000.

In my judgment, if this condition is allowed to continue there is no telling what may happen, and soon. We have just got to curtail the expenses of our Government, at least temporarily. As bad as cutting our salaries 10 per cent is, it would be infinitely worse to do as Mr. Hoover's Cabinet suggested, dismiss hundreds of thousands of employees. Under the proposed cut there will be substantially no dismissal of employees. Under the proposal it will last for just one year, and then the salaries will automatically be restored. It will not require an act of Congress to restore them. It is not a case of what one would like to do; it is a case of what one must do to preserve our Government. I am sure the Federal employees, of whom I am one, would rather take a cut in salaries than to see wholesale dismissals of employees.

Mr. President, the Government pays out in salaries to-day to its employees about \$1,350,000,000. This is \$350,000,000 more than all the expenses of Government for every purpose during the year 1916.

The absolute necessity of these reductions is shown by what it takes to pay the present Federal salary list. It will take the entire average cotton crop of 16,000,000 bales at 5 cents a pound, the present price, amounting to \$400,000,000; in addition to that it will take the entire average wheat crop of 800,000,000 bushels, at 50 cents a bushel on the farm, aggregating \$400,000,000; and in addition to that it will take the entire corn crop, averaging 2,500,000,000 bushels, at the present price of 22 cents a bushel on the farm, making \$550,000,000; in all, \$1,350,000,000, to pay the Federal salary list alone.

Think of it, Mr. President! All of the cotton crop at the present price; all of the wheat crop at the present price;

all of the corn crop at the present price, to pay Federal salaries alone!

We just have to pause. These men who make the corn crop and the wheat crop and the cotton crop are making no profit; and yet it will take the gross proceeds of all those crops to pay the Federal salary list alone.

Under those circumstances, as much as I dislike to do it, I feel that there certainly should be a temporary readjustment of these salaries.

Mr. LOGAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Kentucky?

Mr. McKELLAR. I do.

Mr. LOGAN. Does not the Senator think that the great trouble is that we have too many Federal employees, rather than that we pay too great salaries to the individual employees?

Mr. McKELLAR. Yes; perhaps that is so; but in answer to the Senator's statement I feel that it would be almost inhuman to dismiss any considerable body of our employees in this time of our national distress.

Mr. LOGAN. It would be no worse for them than it has been for millions of others who have been dismissed from private employ.

Mr. McKELLAR. It might not be; but I do not want to add to the unemployed in this country if it is possible to avoid it. It does seem to me, for reasons which I shall give in just a moment, that it is infinitely better for our Federal employees to accept a temporary cut of 10 per cent in their salaries rather than to have additions to the unemployed in America, that number of unemployed being estimated at all the way from 8,000,000 to 10,000,000 people.

In addition to this, Mr. President, we have at least 8,000,000 unemployed in this country, many of them hungry and homeless. The plight of the farmers, the plight of the merchants, the plight of all classes of business is the worst in years. In comparison with all these, the average Federal employee's salary, even with the 10 per cent cut, will certainly constitute a generous living.

I wish to call attention to another thing, that commodity prices have all gone down tremendously. An employee of the Government wrote me that his salary was \$4,500, and that he did not want it cut. I want to call his attention to the fact that his salary of \$4,500 brought him much less than years ago than his reduced salary of \$4,050 would bring him to-day. According to the latest statistics, a dollar to-day will buy 50 per cent more than it bought three years ago. Under these conditions, a reduction of 10 per cent is not as injurious to the employees as if there had been no decrease in the cost of living.

Outside of all this, Mr. President, we must preserve our Government. We must not, under any circumstances, let anything happen to our Government. We Federal employees are more vitally interested in preserving the integrity of this Government than is any other class of our citizens, because it affords us a livelihood. All of us must be willing to make sacrifices in this hour of distress. To my mind, the only patriotic thing for us Federal employees to do is to accept this temporary cut for one year in order to help put our Government again on a stable foundation.

One other thing, Mr. President. It is argued that it is unfair to cut the smaller salaries 10 per cent while cutting Representatives and Senators only 10 per cent. In this connection, I call attention to the fact that under the proposed reduction, and under the revenue bill recently passed, a Senator or Representative will be cut on an average about \$1,700. His mileage will be cut 25 per cent, his stationery account will be cut, his income taxes will be tremendously increased, with the result that the cuts of Representatives and Senators will amount, under these bills, on an average to something like 17 per cent.

Mr. President, I can ill afford to stand this cut at this time; my obligations are heavy; but my Government comes first in every sense. I am a Federal employee, and if it is necessary to take even more of my salary, I shall cheerfully vote for legislation to that end rather than see any injury

come to my Government and your Government. Let us all have a proper sense of patriotism in this matter. When conditions are better I will be in the lead among those to see that Federal employees are properly paid. We can not pay them unless the Government has the money.

Mr. President, seeing the present deplorable financial situation of our Government as it really is, I would not be a true friend of the Government employee if I did not urge him to accept without question whatever temporary cut the Congress finally imposes. It is our highest patriotic duty.

Mr. VANDENBERG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. VANDENBERG. Is my understanding correct that the Senator from New Hampshire has withdrawn from his substitute the amendment which I offered last night, and which stands in the printed substitute this morning?

The PRESIDING OFFICER. That is the Chair's understanding.

Mr. VANDENBERG. I can understand the reason for the action taken by the Senator, and it is perfectly appropriate and perfectly satisfactory to me, namely, that we may have the divided question before the Senate, and the Senate may pass upon both phases of the question independently. Therefore, in order to complete that parliamentary situation and give the Senate the opportunity to express itself upon the question of whether or not a graduated reduction shall be superimposed upon the furlough plan, I now offer as an amendment to the pending substitute, on page 3, after line 4, the language found in the printed substitute from line 5 to line 16, identified as subsection (d).

The PRESIDING OFFICER. The amendment to the proposed substitute will be read.

The CHIEF CLERK. On page 3, after line 4, the Senator from Michigan proposes to insert:

(d) Upon all compensations in excess of \$3,000 per annum the furlough provisions heretofore defined shall apply after and in addition to the following reductions in rates of compensation for the fiscal year ending June 30, 1933: \$3,000 to \$4,000, 1 per cent; \$4,000 to \$5,000, 2 per cent; \$5,000 to \$6,000, 3 per cent; \$6,000 to \$7,000, 4 per cent; \$7,000 to \$8,000, 5 per cent; \$8,000 to \$9,000, 6 per cent; \$9,000 to \$10,000, 7 per cent; over \$10,000, 8 per cent. Provided, That the application of these reductions shall not operate to reduce the rate of compensation below that of the next lower rate in the same service to which a lower percentage of reduction applies.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Michigan [Mr. VANDENBERG] to the amendment in the nature of a substitute offered by the Senator from New Hampshire [Mr. MOSES].

Mr. MOSES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|----------|--------------|-------------|----------------|
| Ashurst | Cutting | Jones | Robinson, Ark. |
| Austin | Dale | Kean | Robinson, Ind. |
| Bankhead | Davis | Kendrick | Schall |
| Barbour | Dickinson | Keyes | Sheppard |
| Barkley | Dill | King | Shipstead |
| Bingham | Fletcher | La Follette | Shortridge |
| Blaine | Frazier | Lewis | Smith |
| Borah | George | Logan | Smoot |
| Bratton | Glass | McGill | Thomas, Idaho |
| Bulkley | Glenn | McKellar | Thomas, Okla. |
| Bulow | Goldsborough | McNary | Townsend |
| Byrnes | Hale | Metcalf | Trammell |
| Capper | Harrison | Moses | Tydings |
| Caraway | Hastings | Neely | Vandenberg |
| Carey | Hatfield | Norris | Walcott |
| Cohen | Hawes | Nye | Walsh, Mass. |
| Connally | Hayden | Oddie | Walsh, Mont. |
| Coolidge | Hebert | Patterson | Watson |
| Costigan | Howell | Pittman | Wheeler |
| Couzens | Johnson | Reed | White |

Mr. McNARY. I desire to announce that the Senator from South Dakota [Mr. NORBECK], the Senator from Oklahoma [Mr. GORE], the Senator from Tennessee [Mr. HULL], the Senator from New York [Mr. WAGNER], and the Senator from Oregon [Mr. STEIWER] are detained in a meeting of the Committee on Banking and Currency.

The PRESIDING OFFICER. Eighty Senators having answered to their names, there is a quorum present.

Mr. FRAZIER. Mr. President, I want to ask the Senator from New Hampshire, with regard to the furlough plan, whether the provision in the original bill which the Senate inserted on page 59, section 213, in regard to 15 days' leave of absence with pay, is to be stricken out of the original bill?

Mr. MOSES. Yes.

Mr. FRAZIER. That is to be stricken out?

Mr. MOSES. As I explained to the Senator from Colorado [Mr. COSTIGAN] yesterday afternoon, if my amendment as pending is agreed to, I intend to offer three amendments, one of which will be to strike out section 213, the three amendments being offered in order to make the bill uniform if, when, and as my amendment shall be agreed to.

Mr. FRAZIER. Under the Senator's substitute, Government employees would have 30 days' leave of absence without pay?

Mr. MOSES. Yes.

Mr. FRAZIER. But no leave of absence with pay?

Mr. MOSES. No.

Mr. BINGHAM. Mr. President, may I ask the Senator from New Hampshire, in that connection, what happens to the field workers who to-day do not get 30 days' leave with pay, but who get only 15 days' leave with pay?

Mr. MOSES. I think there is a provision, though not in my amendment, with reference to them. I have an amendment applying to them if the Senator has reference to those people in the Canal Zone, and so forth.

Mr. BINGHAM. No. In reply to the Senator from North Dakota [Mr. FRAZIER], the Senator from New Hampshire said that he would strike out the provision in the bill changing the leave period and making it hereafter 15 days with certain exceptions such as those in the Canal Zone.

Mr. MOSES. But I do not take into consideration the field workers of the class to whom the Senator from Connecticut refers.

Mr. BINGHAM. As the Senator knows, Federal employees in the District are favored by receiving an annual vacation about twice as great as is received by those to whom we ordinarily refer as workers in the field.

Mr. MOSES. Yes; I do know that. If the Senator will prepare an amendment to take care of that, so far as I am concerned, I shall be glad to cooperate with him.

Mr. BINGHAM. Why does the Senator say he is going to endeavor to strike out the provision in the bill making the leave period the same for everyone?

Mr. MOSES. Because the furlough plan is supposed to take the place of leave with pay. In other words, having had 30 days leave with pay, they will now get 30 days' leave without pay, and that is their contribution to the condition in which the Treasury finds itself. Manifestly, if we are going to have 30 days' leave without pay and 15 days with pay, that makes a 45-day period if the provision referred to is made to apply to every employee.

Mr. BINGHAM. What provision does the Senator make for the very numerous employees in the field who to-day get only 15 days' leave with pay?

Mr. MOSES. As a matter of fact, I was not considering those employees at all. If the Senator can find a form of words to take care of them, I shall be very glad to cooperate with him.

Mr. BINGHAM. Mr. President, this only shows, which was my purpose in rising, the difficulty of drafting a bill of this kind on the floor of the Senate. As a member of the committee that spent three weeks, working all day and sometimes in the evening, discussing the various ramifications of the furlough plan and other plans, I can assure the Senate that an attempt to write it on the floor is full of this sort of pitfalls. It had not occurred to the Senator that possibly 100,000 Government employees in the field receive only 15 days' leave with pay.

Mr. MOSES. I am glad to have the voice of the Senator from Connecticut added to the voice of his colleagues on the subcommittee in stern resistance to touching their work in any capacity whatsoever. My purpose is to get the whole matter into conference. The changes made in the House

text will be found to be so few that by the adoption of my amendment the entire subject may then be taken up by the conferees and discussed, not in the confusion of the floor of the Senate. Of course, we understand the conferees now have full power.

Mr. JONES. Mr. President, as I understand the Senator, he expects to move to strike out the amendment on page 59 if his substitute is adopted?

Mr. MOSES. Yes; section 213.

Mr. JONES. That means a further reduction of \$22,000,000 of revenues produced by the bill.

Mr. MOSES. It all goes to conference. Apparently the Senator does not want us to do anything except to come in and take what his subcommittee has provided.

Mr. JONES. I understand it will go to conference, but I merely wanted to call attention to the effect of striking out the amendment.

Mr. BINGHAM. Mr. President, I merely want to say before taking my seat that I hope the Senate, if and when it adopts amendments to the bill, will provide in the amendment or immediately following it another means of saving the amount of money which is stricken out. As the Senator from Washington just said, we are asked to strike out the permanent provision regarding 15 days' leave, which the Senator from Washington said saves \$22,000,000. As a member of the subcommittee considering it I wish to say that I have no sense of pride of authorship. It makes no difference whatsoever if the Senate adopts what we worked out after three weeks of deliberation, so long as the Senate in what it finally does yields the same amount of saving.

We were asked by the President to try to save a large amount of money. When the President came down here and made his personal appeal to the Congress to pass the revenue bill and to pass a bill for savings, he said he understood the subcommittee had succeeded in saving something like \$300,000,000 or more, and he hoped the Congress would find it possible to make those savings. It makes not the slightest difference to me how the savings are made so long as they are applied equitably. I hope whenever any cut is made in the provisions which the subcommittee put into the bill, that somewhere else we can find a means of saving an equal amount of money.

There is another objection to the furlough plan, which probably has been mentioned many times, and that is the difficulty of applying it fairly. There are many positions in the Government service and in the service of the District of Columbia where the furlough plan would not work fairly and can not work easily. It would be better anyway, if the Congress thinks the 10 per cent cut too much, to make it an 8½ per cent cut. That could easily and fairly be applied.

For instance, we inquired of the officials of the District of Columbia, to whose employees the bill applies, what would happen to the school teachers, and the same thing would apply to the teachers in Indian schools. They said the furlough plan would not work for them at all, because they get paid for the teaching they do; they get no pay in vacation times; and therefore some other means would have to be found of applying the cut to them. The same thing is true in some of the safety departments—the police and the firemen. It would be extremely difficult to make the furlough plan work for them. The committee went into it very fully and came to the conclusion that the easiest and safest and fairest way of doing for the year we are trying to make the savings would be the straight 10 per cent cut.

May I add that the furlough plan as worked out by those who first thought of it and who thought they had arrived at a fair amount of adjustment between the rural mail carriers, for instance, who could not work on the furlough plan, and the other employees, would save about \$84,000,000. If that is adopted, then there is something like \$35,000,000 or \$40,000,000 still to be provided for over and above what the committee provided in its other provisions. I think when the Senate makes changes in the bill it will have to provide some other way of saving the money somewhere else, so when the bill is finished we will not

have to say to the country that after all we were not able to save the amount of money the President asked us to save and which we tried to save.

Mr. NORRIS. Mr. President, it seems to me the Senator from New Hampshire [Mr. Moses] has the right slant on the matter. All he cares about is to get the matter into conference. That is where we are going to have our legislation anyway. What has the Senate to do with it? It gets the bill into conference, says the Senator from New Hampshire. The Senator from Washington [Mr. Jones] will be one of the conferees. Other members of the conference will have their very definite ideas and will put them into the bill and bring it back here and we will approve it.

Mr. JONES. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. JONES. I want to say to the Senator it has always been my policy in conference to stand by the Senate.

Mr. NORRIS. Oh, but we have established a new rule.

Mr. JONES. That rule does not go with me. I shall follow the same rule in the future that I have followed in the past with reference to conferences. I want the Senate to do what it wants to do, and I shall stand by it as long as I possibly can.

Mr. NORRIS. I am surprised at the Senator. He has disqualified himself from being on the conference committee. We shall have to put the Senator from Utah [Mr. Smoot], the Senator from Pennsylvania [Mr. Reed], and the Senator from Indiana [Mr. Watson] on the conference committee. They do business. They know how to do it. They have shown by their works what they are worth and we have shown by our humility what we are worth. We approve it when they bring it back. That is the way to legislate, and the Senator from New Hampshire knows it. He strikes right at the point with his usual precision when he says this will put it into conference. So it will. That will be the end of our responsibility. Put it into conference and let it pass beyond our jurisdiction.

If the Senator from Washington does not know and has not learned within the last few days what the duties of conferees are and how little respect they ought to have for the will of the Senate after debate and decision and consideration and deliberation, then he has not been attending the sessions of the Senate or he shows that his disposition is such that he is not qualified to be a member of a modern committee of conference.

Mr. DILL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Washington?

Mr. NORRIS. I yield.

Mr. DILL. I think the Senator from Nebraska should not be too quick to conclude that this action of the conferees on the revenue bill will become the rule of the Senate, because after all the Power Trust is not so interested in some of these other measures as it was in the one which we approved yesterday.

Mr. NORRIS. The Power Trust will get interested when it gets into conference if we appoint the right conferees. [Laughter.]

Mr. ROBINSON of Indiana. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Indiana?

Mr. NORRIS. I yield.

Mr. ROBINSON of Indiana. I want to observe, if the Senator from Nebraska will permit me, in connection with his suggestion as to the efficiency of the conferees on the part of the Senate, that I noted this morning in the press a statement from Congressman CRISP, to whom was attributed the responsibility for placing the burden of the power tax on the consumers. I would like to read it for the benefit of the Senate, assuming, of course, that he is correctly reported:

When the conferees reached the tax on the electricity item Senator Smoot stated that it was confiscatory and that it would bankrupt certain public-utility companies in Utah. A majority of the

Senate conferees said the item was impossible. After discussion and in the nature of a compromise, I suggested a retail tax on electric energy.

The interesting part of that statement, if the Senator from Nebraska will permit the further observation, is this line, and it comes from Mr. CRISP, according to the paper:

A majority of the Senate conferees—

That would be three—

A majority of the Senate conferees said the item was impossible.

That was after a majority in this body had said that it was not only not impossible but that it was correctly and properly to be levied against the vendor. But a majority of the Senate conferees, three out of five, decided that a majority of the Senate was all wrong in the matter and therefore they would just switch it around completely and add the burden of this tax to the already overburdened backs of the tax-paying consumers of the country.

I thank the Senator from Nebraska.

Mr. NORRIS. I thank the Senator from Indiana for his very illuminating comment.

"A majority of the Senate conferees!" That might even include the colleague of the Senator from Indiana. It is the same majority, I suppose, that said to the cooperative organizations of farmers all over the country—and I assume there are some in Indiana—"We are not going to give you the relief that this bill gives you. We are not going to permit anybody to interfere with the machinations of these sleek fellows educated in colleges who come from the Bureau of Internal Revenue, who go out in the country to hoodoo the farmers, and induce them to withdraw, by representations that are claimed to be fraudulent and false, their claim for exemption which the laws of the United States Government gives them." A majority of the Senate conferees, says the extract read by the Senator from Indiana, one of them being the chairman of the Senate conferees, said it was confiscatory when paid by the Power Trust. However, it is religious justice when paid by the poor consumer. It would bankrupt, so the statement says, some public utilities in Utah. I presume a great many people from Utah living in the District of Columbia, on the other hand, are going to pay the tax that is pushed over onto the consumer, because the citizens of Utah who live in the District of Columbia are not public-utility men; they are consumers, and they are the ones who are going to pay the tax. So the Senator from Utah lifted from the backs of his millionaire constituents in Utah this tax and put it onto his constituents in Washington. It is an open secret that there are in Washington more officeholders, in proportion to its population, from Utah than from any other place on earth; everybody knows that; the Senator from Utah has more constituents in Washington than he has in Utah. So if his intention was to relieve the millionaire corporations of his State that are making and manufacturing electricity by putting the tax on the poor consumers, he has made a mistake. The burden is on his Washington constituents, who will have to pay their share of the tax.

But, Mr. President, that was another bill that was designed to bring relief. The conferees are not here on the floor. The President signed the bill at 4 o'clock and 57 minutes p. m. and 5 o'clock recuperation on the part of distressed business commenced to show. I presume the conferees are now, in company with the President of the United States, watching the wonderful development that is going on in business and the decrease in unemployment that is now so rapidly taking place that the poor fellows who came here to get jobs will not be able to fill more than half the jobs which will be available if the great impetus to prosperity continues.

I understand, Mr. President, that the Budget which was balanced on yesterday at 4 o'clock and 57 minutes p. m. was unbalanced this morning at 9 o'clock and 38 minutes by the Committee on Military Affairs increasing the appropriation

for the Army during the coming fiscal year. Now we shall have to have another balancing of the Budget ceremony after we pass the Army bill, because we are going to pay out large sums of money to the Army.

I think, however, that is justified, because while we have been busy here, shoulder to shoulder sacrificing and staying up all night in the effort to balance the Budget, we have forgotten and the country has forgotten to watch the victorious tread of the American Army in our war with Nicaragua. We have forgotten even to read the newspapers and see how victory is perching on our banners down there and how, under our military leaders, victory after victory is coming to us. Sandino down there has been carrying on that war for the last 10 years; we have been catching him every Monday morning for the last 10 years, and have not caught him yet; he is still fighting.

I read in a morning newspaper of recent issue that—

One hundred are slain as Sandinistas fight marines. National Guard, officered by United States troops, clashes twice with Nicaraguan rebels.

But the American forces were victorious. They were a little surprised on one or two occasions, but, on the whole, victory has come to them. So now, since we have got the Budget balanced, and we can devote a few minutes to other things, we ought to adopt a resolution of thanks to our troops who are making the world safe for democracy down in Nicaragua, and bringing victory after victory to our arms; and yet we are paying no attention to them.

The Military Affairs Committee are wiser than we are, and I am informed that they have, of course, increased the appropriations for the Army, which is necessary in order to carry on the wars which we are prosecuting for the benefit of humanity and to insure honest elections everywhere except in the United States, thus bringing civilization up to a higher standard. When we get the other nations of the world in a position where they will hold honest elections, the next step will be to send our Army out to Chicago, to Philadelphia, to New York, and to Pittsburgh, perhaps, to hold honest elections at home.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Michigan [Mr. VANDENBERG] to the amendment of the Senator from New Hampshire [Mr. MOSES], as modified.

Mr. BINGHAM. Mr. President, I should like to inquire of the Senator from Michigan, though perhaps he has already explained it when I was in a committee meeting, whether under his amendment, for instance taking the larger salaries of \$10,000 and over, the 8 per cent reduction is in addition to the 8½ per cent cut that comes through the furlough plan?

Mr. VANDENBERG. The Senator is correct.

Mr. BINGHAM. That makes on salaries of \$10,000 and over a cut of 16.3 per cent. Is that correct?

Mr. VANDENBERG. Yes; it makes a total cut of 16.3 per cent.

Mr. BINGHAM. And on salaries of \$6,000 it makes a reduction of 11.3 per cent?

Mr. VANDENBERG. That is correct.

Mr. BINGHAM. Has the Senator worked out the total saving which would result if his amendment were adopted?

Mr. VANDENBERG. The total saving would be between three and a half and five million dollars added to the saving in the furlough plan itself.

Mr. BINGHAM. Is that all?

Mr. VANDENBERG. Yes.

Mr. BINGHAM. The furlough plan saves about \$84,000,000, and the amendment of the Senator from Michigan, if adopted, would increase the saving by from three and a half million to five million dollars?

Mr. VANDENBERG. The Senator says the furlough plan will save \$84,000,000. The author of the amendment insists that it will save from \$95,000,000 to \$110,000,000.

Mr. BYRNES. Mr. President, on the question of savings, I think there should be a brief statement made. The committee of the House first suggested this plan. They secured figures from the Bureau of the Budget. Those figures were printed in the Record and set forth in detail the savings. In connection with the Postal Service the Postmaster General was asked to estimate the net saving, and, taking as accurate his estimate, it showed a saving on account of the postal employees of \$24,568,000. The furlough plan then deducts from the allowance of rural carriers \$10,312,000, which deduction is larger than the reduction that is forced upon any other employees of the Government under the furlough plan.

The \$24,568,000 estimated by the Postmaster General added to the \$10,312,000 makes \$34,880,000 saved out of the Postal Service. There is left unaccounted for a total of \$561,996,000 of the pay roll of the Government from which a saving may be made by the application of the furlough plan; that is the civil pay roll of \$561,996,000, outside of the Postal Service and the District of Columbia policemen and firemen. It is a mere question of mathematics to apply the 8½ percentage reduction to \$561,000,000, and when that is done the total saving, according to the committee, according to my own calculation, and according to the calculation of the Bureau of the Budget, is \$81,713,965.

Then the committee said that they would have to take into consideration the possible saving from the legislative branch of the Government, a saving which is uncertain but which they estimate would make the total \$83,000,000.

The sponsors of the furlough plan in the House, with the assistance of the statisticians of the Bureau of the Budget, figured the saving at \$83,000,000, and I think that estimate is accurate. The Senator from New Hampshire when first asked about the saving said that the saving would be between \$90,000,000 and \$95,000,000, and then when the Senator from Michigan raised him \$5,000,000, the Senator from New Hampshire promptly retorted by saying that he was now informed that the saving would amount to \$110,000,000. I think that if the Senator from Michigan had increased the figures the Senator from New Hampshire might have been led to believe that the saving would be still greater.

Mr. MOSES. All of which, Mr. President, goes to show that one man's guess is just as good as another's, and the guess from New Hampshire is just as good as that from South Carolina. I will add that my figures also came from the Bureau of the Budget.

Mr. BYRNES. Which figures—the \$110,000,000 or the \$85,000,000?

Mr. MOSES. The figure \$88,000,000.

Mr. BYRNES. The Senator is back to \$88,000,000, and has lost in a few minutes the difference between \$88,000,000 and \$110,000,000, which is quite a loss in so short a time this morning. Does the Senator from New Hampshire say that he did not say his plan would save \$110,000,000?

Mr. MOSES. The Senator can read the statement in the Record. I said that, according to the telegram presented yesterday by the Senator from Indiana, that would be the saving.

Mr. BYRNES. Then, Mr. President, the saving of \$110,000,000 is based upon a telegram which was delivered to the Senator from Indiana and by the Senator from Indiana delivered to the Senator from New Hampshire, who advised the Senate that the saving would be \$110,000,000. In other words, as soon as the telegram was handed to him he preferred the figures in the telegram to the figures presented by the Bureau of the Budget. I think it is safer to rely upon the figures which were worked out not on the floor of the Senate or from a telegram but deliberately by the Bureau of the Budget and presented to the House by a committee composed of Representative WOOD, Representative WILLIAMSON, and Representative RAMSEYER. Those figures show a saving of \$83,000,000, and we might as well recognize that

the adoption of this amendment means a loss of \$40,000,000, and there is no other place in this bill, or any other bill, where that \$40,000,000 stands any chance of being saved with the information now before us.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Michigan [Mr. VANDENBERG] to the amendment in the nature of a substitute offered by the Senator from New Hampshire [Mr. MOSES].

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now recurs on the amendment in the nature of a substitute as modified offered by the Senator from New Hampshire.

Mr. VANDENBERG and Mr. BRATTON asked for the yeas and nays.

The yeas and nays were ordered.

Mr. LA FOLLETTE. Mr. President, I desire to say a few words on this question before the amendment comes to a vote. I think the statement just made by the Senator from South Carolina [Mr. BYRNES] is an admission of impotence and incompetence on the part of Congress and the Government to which I can not subscribe. To say that the only place where any savings can be made in a \$4,000,000,000 budget is to fry them out of the wages of the Government employees is a statement which I resent, as one Member of this body.

The Senator from Nebraska [Mr. NORRIS] made brief reference this morning to the action of the Senate Committee on Appropriations in increasing the appropriation for the Army. In his report to Congress in 1927, the then Secretary of the Treasury, Mr. Andrew W. Mellon, had this to say:

Probably the most striking fact brought out by such a percentage distribution is the small fiscal importance of ordinary civil expenditures. These are often thought by those who have never looked into the matter to be typical of practically all the disbursements of the Government. When the average citizen grumbles over the size of his income-tax payment he often visualizes his hard-earned money being spent by the Government to compile reports on business or agricultural conditions, or to erect public buildings, send diplomats abroad, carry on scientific investigations, or make and enforce laws. As a matter of fact, a small part of the taxpayer's dollar goes into work of this sort, only about one-sixth being used for all the multitudinous types of ordinary civil functions added together. One-half of each tax dollar is used for the service of the public debt, the equivalent of 20 cents being required for interest and premium payments and 30 cents for debt retirement. The remaining one-third of the taxpayer's dollar is spent on military expenditures for national defense or payments to military veterans.

PERCENTAGE OF EXPENDITURES ATTRIBUTABLE TO WAR

It is well known to students of public finance that the peacetime budgets of modern occidental nations are largely concerned with the costs of past and future wars. The question often arises as to the percentage of United States Federal expenditures that is attributable to actual or potential wars. Needless to say, many expenditures of the Government are either always partly military and partly civil or else are predominantly military in war periods but change to a distinctly civil character in times of extended peace. Any definite figure of expenditures for war must, therefore, involve many judgments that are far from mathematical certainty. Nevertheless, such approximations are worth while. The best-known compilation of data in readily available form for use in answering this inquiry was made for the years 1910 to 1920 by the late Edward B. Rosa, of the United States Bureau of Standards. His classified figures were later brought up to the year 1924 by the United States Bureau of Efficiency. In the accompanying table is shown the percentage of Federal expenditures attributable to wars based on these data. A similar computation that excludes from expenditures for wars the amount of public debt retired from payments by foreign governments, and the cost of civil agencies used for war purposes, such as the United States Emergency Fleet Corporation and the United States Railroad Administration, is also included in the table for comparative purposes. The period covered by this latter compilation is from 1915 to 1927, inclusive.

I ask leave to incorporate the table at this point in my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

The table is as follows:

Percentage of net Federal expenditures for wars, past and future
[Source of Rosa's data: Rosa, E. B., Expenditures and Revenues of the Federal Government, opp. p. 12]

| Fiscal year | By Rosa's classification | Excluding civil agencies used for war purposes ¹ |
|-------------|--------------------------|---|
| | Per cent | Per cent |
| 1910..... | 67.7 | |
| 1911..... | 68.4 | |
| 1912..... | 67.8 | |
| 1913..... | 68.3 | |
| 1914..... | 69.0 | |
| 1915..... | 66.0 | 62.8 |
| 1916..... | 70.1 | 66.7 |
| 1917..... | 81.7 | 86.1 |
| 1918..... | 97.4 | 90.2 |
| 1919..... | 98.4 | 85.5 |
| 1920..... | 93.7 | 70.7 |
| 1921..... | 87.7 | 72.6 |
| 1922..... | 87.5 | 87.4 |
| 1923..... | 86.7 | 83.5 |
| 1924..... | 89.1 | 85.0 |
| 1925..... | | 80.2 |
| 1926..... | | 81.2 |
| 1927..... | | 82.0 |

¹ E. g., Emergency Fleet Corporation and U. S. Railroad Administration.

² From data compiled by the U. S. Bureau of Efficiency.

³ From data compiled by the U. S. Bureau of Efficiency from Budget estimates sent to Congress, but actual figures for debt retirement have been substituted for Budget figures.

Mr. LA FOLLETTE. Mr. President, in order to bring the material down to date, I wish to insert, following the table, the latest estimate which I have been able to find of an authentic character, contained in a speech which the President delivered on January 8, 1932, in which he said:

The proposed Budget of Federal Government expenditures for the next fiscal year amounts to about \$4,000,000,000, of which over \$2,800,000,000 is for debt, military, and veterans' services, and nearly half the balance is for aid to employment in construction works and aids to agriculture.

I wish to say to the Senate that the data contained in the table which I have inserted in the Record show that in 1910 the percentage of net Federal expenditures for wars—past, present, and future—was 67.7 per cent; that by 1924 it had reached 89.1 per cent; and that in 1927, the year to which this report refers, it was 82 per cent. In other words, out of every Federal tax dollar extracted from the Federal taxpayers in this country in 1927, nine years after the war was over, 82 cents was used to pay for past and for preparations for future wars. Only 18 cents of that tax dollar was used to support the entire civil arm of the Government; and yet members of this Economy Committee tell us that the only place where we can find any economies in a \$4,000,000,000 Budget is to sweat it out of the Government employees!

Mr. President, there has been a lot of propaganda in this country about the Government service, about the type of people that are employed in it, and the type of service that they perform. I wish to say that the facts are indisputable that wages in the Government service have lagged behind wages in other lines of comparable employment in private industry and business, and, furthermore, that they have lagged far behind the rise in the cost of living which marked the period from 1900 down to 1929.

When this war came on a fight was made on this floor by my illustrious father, when costs of living were mounting, in an effort to provide some relief for these Government employees who were unable to provide for themselves and their families even the meager necessities of life under those circumstances. It took a knock-down and drag-out fight on the floor of the United States Senate to get a bonus of \$240 for Government employees, although, if my recollection serves me correctly, data were presented at that time to show that there had not been any increases in the Treasury Department since 1855, so far as Government employees were concerned. At that time it was pointed out that the Congress and the Executive had been extremely generous so far as their own salaries and the salaries of the higher-

paid Government officials were concerned, increases having been made during that period of ascending costs of living ranging all the way from 50 to 65 and 70 per cent in those higher-paid groups.

After that long struggle to raise Government wages, which were lagging far behind the cost of living and the trend in every line of business and commercial activity, we now find members of the economy committee who brag of the fact that they spent three weeks studying this problem, saying that no other place can be found in which to save thirty-five or forty million dollars in a \$4,000,000,000 Budget, 82 per cent of which goes to pay for past and for preparation for future wars, without driving down the standard of living of people who, according to the estimates of bureaus in this Government of ours, are still at this day receiving a wage below the bare subsistence level.

After two and a half years of this depression I am tired of hearing people still prating about "psychology." Pseudo-psychologists have been endeavoring to remedy this cataclysmic economic breakdown by trying to change the psychology of the public in this country. It is only within the last six months that it has begun to be recognized, despite all I have tried to do in my humble capacity to direct the attention of the people who exercise responsibility in this Government to the fact that we faced a major change in economic conditions, and that the only way to remedy it was to re-create purchasing power on the part of the masses of the people instead of tinkering with the credit structure when there was no genuine demand for credit for production purposes.

Recently we began to hear on all sides a recognition of the fact that in order to remedy this situation there must be made a drive to re-create purchasing power; but, consistent with the inconsistent thinking—if I may dignify it by such a term—that has been indulged in by those in high positions in this country, the Senate, shortly after it begins to recognize the fact that this is a problem of lifting purchasing power, now turns around and proposes that the Government inaugurate a program definitely effecting, in so far as governmental leadership can effect it, a further decrease in the purchasing power of the people of this country.

I recognize that Congress is once more about to respond to what it believes is an effort to influence the psychology of the people. Therefore, I am confronted with a choice between the proposition reported by the Economy Committee and the one offered by the Senator from New Hampshire [Mr. Moses].

Briefly, let me say, the committee contends that the 10 per cent flat cut which it recommended was the only solution of the problem of reduction of salaries at which it could arrive. I want to speak frankly in this instance, because the members of this committee, while protesting in one breath that they have no pride of authorship and that they do not appeal to the Senate to follow the committee, in the next breath say they conducted an exhaustive inquiry into this subject, and finally came to the only conclusion which they believed their deliberations would justify.

I say in all sincerity—and I have high respect for the individuals who compose this Economy Committee—that I, as an individual Member of this body, was positively shocked at the woeful lack of information which the members of this committee displayed during the first 48 hours that this bill was under debate in the Senate. There was simple question after simple question concerning the effect of this proposal which they recommend as the only solution for this problem which they were unprepared to answer and could not answer.

Now we are confronted with a choice between the furlough plan and the action already taken by a majority of this body. The furlough plan, as the lesser of two evils, recommends itself to me for the following reasons:

It does not change the basic rate of pay, which, as I stated at the outset, was won only after a prolonged struggle and belatedly at the hands of a grudging Government.

It takes a step in the direction of a fundamental change in the system of hours of service which must come in this country before we can ultimately solve the problems that confront us, namely, a shortening of the work week. Therefore, if we adopt the furlough plan, the Government of the United States does not, first of all, lend its influence to a further curtailment of purchasing power on the part of those who are now gainfully employed; secondly, the Government does take a step in the direction of the 5-day week, which I believe is one of the adjustments which must come in this country if we are successfully to readjust the economic situation.

Mr. President, with the amendment which the Senator from New Hampshire has accepted, which I offered yesterday, providing that no employee, without his consent, shall be asked to take more than five days' furlough in any one month, I think the chief criticism against the furlough plan, so far as its operation and effect upon the employee is concerned, has been eliminated.

One of the things I feared was that, if the furlough plan were adopted as first presented, employees in the lower-income brackets might be asked to take a consecutive furlough of 24 working days in one month. It will be appreciated by those who are familiar with the struggles made by this group of employees to keep their heads above water, to maintain their families, and to live in decency that a long furlough would have been a terrific hardship.

Most of the employees have their incomes budgeted to such a close and fine figure that, as a matter of fact, the Federal Government might take a leaf from the books of some of these families. They are in the situation where many of them are forced to draw their salaries bimonthly in order that they may meet the current demands of living expenses. I recognized that it was a serious criticism and would have worked a great hardship upon the Government employees. But with the amendment which has been accepted that may not be done without the consent of the employee. Therefore no person in the Government service, except with his consent, could be asked to take more than five days of furlough in any one month.

Mr. President, the Senator from New Mexico [Mr. BRATTON] has tried to make a very plausible explanation of section 214 contained in the committee's recommendation, which provides:

In order to keep within the appropriations made for the fiscal year 1933, the heads of the various executive departments and independent establishments of the United States Government and the municipal government of the District of Columbia are hereby authorized and directed to furlough, without pay, such employees carried on their respective rolls, such time as in their judgment is necessary to carry out said purpose without discharging such employees, the higher salaried to be furloughed first whenever possible without injury to the service: *Provided*, That rules and regulations shall be promulgated by the President with a view to securing uniform action by the heads of the various executive departments and independent Government establishments in the application of the provisions of this section.

Despite the plausible explanation made by the Senator from New Mexico, in which he said that section 214 was merely an admonition to the heads of the Government departments not to exceed the appropriations provided for the fiscal year 1933, despite the statement made by the Senator from Washington that it was the primary purpose of incorporating this unlimited furlough provision into the committee's recommendations, the fact remains, nevertheless, that if the Congress fails to provide sufficient appropriations for the year 1933 to meet these salaries after the committee's reductions have gone into effect, there will be an application of the principle of the furlough wholesale, without pay, in order to prevent the submission of estimates for deficiencies.

What does that mean translated into the effect upon the Government service? It means that a Government employee will be asked to make up any failure on the part of Congress to provide sufficient appropriations for his salary by a furlough of indeterminate length, in addition to a 10 per cent cut.

An individual in the Government service, if he happens to be in a department where Congress has applied the economy cuts to all appropriations, except as to the Army and the Navy, may be asked to take a furlough for six months without pay, in addition to receiving for the six months he works a 10 per cent reduction. The committee bill combines the two worst features of both plans, and is absolutely indefensible.

Mr. President, under the furlough plan, at least something is given in exchange for the reduction in wage. A shorter working time is provided. But under the committee's flat 10 per cent reduction, nothing is obtained in exchange for that reduction so far as the working time is concerned, and, in the second place, the employee may also be asked to take a six months' furlough without pay.

Mr. President, confronted with this situation, recognizing the temper of this body, I realize that those of us who do not subscribe to this hue and cry that you can inflate with one hand, and by adopting deflationary measures with the other, accomplish anything toward economic recovery, must take the lesser of two evils.

Therefore, I hope the Senate will adopt the furlough plan. It will not mean a long struggle over the next 15 or 20 years to lift the standards of wages in the Government service to a commensurate level with a decent and respectable standard of living.

It will put the influence of the Government behind the change in our policy of employment in this country, which I believe is sound and in the right direction, namely, toward a 5-day week.

With the amendments which have been incorporated, the furlough plan will be equitably administered, because it will remain within the control of the individual employee himself to say whether he shall take his furlough in longer periods than five days in any one month.

If this furlough plan is voted down, then I recognize that the committee's recommendations will pass. I know full well what will happen. Industrial corporations, which have already cut wages 10 per cent three or four times, will point to such action on the part of the Government to justify a fourth and a fifth 10 per cent reduction in wages. It will start the engine of further deflationary measures in this country as nothing else which we could do at this time.

On the other hand, if the furlough plan is adopted, such leadership as the Federal Government can afford at this time will be in the direction of the 5-day week, which must come in this country if we are successfully to operate industries which have been mechanized and which are now able to produce vastly more than the purchasing power of the people enables them to consume.

Mr. President, a great hue and cry has been raised in this country for the reduction of expenditures on the part of taxpayers. I wish to point out that the Industrial Conference Board made an estimate of all governmental expenditures for the year 1929. They found that local expenditures amounted to \$7,126,000,000; that State expenditures amounted to \$1,990,000,000, and that Federal expenditures amounted to \$3,932,000,000.

So, looking at this proposition from the point of view of the taxpayers in the United States as a whole, this 10 per cent reduction in pay, as recommended by the committee, and the furlough plan, as proposed by the Senator from New Hampshire, differ to the extent of \$33,000,000, and, so far as the taxpayers of the country are concerned, they will never be able to see appreciably in their taxes that saving as between the two plans.

I sincerely trust that the Senate will adopt the amendment proposed by the Senator from New Hampshire.

THE POWER COMPANIES

Mr. WALSH of Montana. Mr. President, the action of the committee of conference in dealing with the item in the revenue bill in relation to the tax on electrical energy having been adverted to in the course of the debate this morning, I send to the desk a copy of the Baltimore Sun of this morning containing an editorial on that subject, which I ask to have read.

The VICE PRESIDENT. The clerk will read, as requested. The CHIEF CLERK. From the Baltimore Sun, June 7, 1932:

A LITTLE TOO SMART

It is pleasant to note the roar of anger in the Senate over the action of the conference committee in shifting the burden of the tax on electricity from the companies to the consumers. In all probability the shift will not break many backs. A man who uses \$5 worth of electricity in his home in a month will pay a tax of 15 cents. That is endurable. Nevertheless, the shift of the burden to the consumers' backs was outrageous and indefensible.

In the first place, the consumer is going to pay taxes in so many directions that even 15 cents may not be entirely negligible. In the second place, the power companies have fared better in the financial storm that started in 1929 than almost any other industry that can be imagined. In the third place, the issue as to whether the tax should fall on the companies or the consumers had been fought out on the floor, where debate was open and votes were recorded, and decided in favor of the consumers, and it is a peculiarly contemptible thing to reverse such a decision in the secrecy of the conference committee's room. No wonder a large body of conservative Members joined the Norris group in voting against this part of the conference report.

To the power companies it may be said that it is not altogether certain that they have been as smart as they think. They are charging rates to-day designed to yield a handsome return upon valuation of their property fixed in accordance with the reproduction rule. They succeeded in establishing that rule in the days when prices were rising. Applied rigorously in these days of falling prices, the same reproduction rule would play hob with the valuation of their property, and therefore with the rates they may charge. It seems to us that really smart people would have given a thought to the public's attitude in that situation before putting over a fast one at the expense of the public.

Mr. WHEELER. Mr. President, in line with the editorial just read from the Baltimore Sun, I desire to submit some observations with reference to power-company profits and holding-company collapses. Recently, when this matter was being discussed in the Senate, both the Senator from Utah [Mr. SMOOT] and the Senator from Pennsylvania [Mr. REED] had much to say about power companies experiencing hard times and being reduced to a very small margin of profit. This is entirely erroneous, and can only be explained on the ground of confusion with the towering and insecure superstructures of holding companies that have been erected upon the operating power companies.

The Senator from Nebraska [Mr. HOWELL] showed the other day that the power companies' earnings were larger in 1930 and 1931 than in 1929. Investigation discloses that the same is true of the companies' net earnings.

The Electrical World, power company organ, states in its issue of May 28, 1932, that—

Not one of the major operating companies has omitted dividends so far.

Studying the earnings of 41 important operating companies scattered over the country for 12-month periods ending with January, February, or March, 1932, the Electrical World found that as compared with the preceding 12 months there was an average decline in gross earnings of 3 per cent. But net earnings declined only four-tenths of 1 per cent. Who can name another important industry anywhere that is so fortunately situated?

Twenty-one companies of the forty-one studied by the Electrical World actually increased their net earnings. The increases ranged from two-tenths of 1 per cent for the Tennessee Electric Power Co. to 9.6 per cent for the Mississippi Power & Light Co. and 10 per cent for the Louisiana Power & Light Co. Incidentally, the Federal Trade Commission has disclosed big write-ups in these Mississippi and Louisiana companies named as the most prosperous now, so that these phenomenal earnings are being made upon heavily watered stock, and the resulting dividends are being paid to controlling interests—Electric Bond & Share—upon very little real investment.

Another list presented in this same issue of the Electrical World shows that certain of the power companies are earning far more than the amount required to pay their dividends. These figures are for the year 1931. The Edison Electric Illuminating Co. of Boston, for example, paid dividends of \$13.60, but had available for dividends \$18.79. The Central Hudson Gas & Electric Co. paid dividends of 80 cents, but had available for dividends \$1.54 per share. The Cleve-

land Electric Illuminating Co. paid \$1.96 per share and had available \$2.87 per share.

Considering the companies which showed some recession in net earnings, the per cent of decline ranged from six-tenths of 1 per cent for the Consumers Power Co. to 16.9 per cent for the Houston Electric Co. There were only 20 which showed any reduction as against 21 reporting increases. And for the whole group of 41 companies the average decline in net earnings was only four-tenths of 1 per cent.

In the holding companies which live upon the operating companies, and for many years lived very high, we have a different story. For a group of 13 reported upon in this same issue of the *Electrical World*, the average decline in net profits from 1930 to 1931 was nearly 15 per cent—net profit as used here means the amount available for common-stock dividends and surplus. Only 8 of the 13 holding companies were earning their dividends fully in 1931. Although the extent of the decline varied rather widely, every one of the 13 showed a noteworthy decline, ranging all the way from 3.47 per cent in the North American Light & Power Co. to 33.40 per cent in the Standard Gas & Electric Co. (Byllesby). The decline in net profits for some of the other great holding companies from 1930 to 1931 was:

North American, 15.80; Niagara Hudson, 13.70; Electric Power & Light, 25.21; and Middle West Utilities (Insull), 14.30.

One explanation of these holding company difficulties which have plunged half a dozen of the large ones into receivership, even while the operating power companies on the whole remained prosperous, is the way in which a slight fall of earnings in the operating company is exaggerated in the holding company above. The holding company ordinarily holds only the common stock of the operating company, and therefore catches the full force of a shrinkage. Where four or five holding companies are heaped one upon another, with each holding the common stock of the one below, the effect of the shrinkage is vastly magnified. This was the case with the \$2,500,000,000 Insull system, which recently went into receivership, with a loss of untold millions to investors in the market value of their securities.

But the decline in earnings, where it has occurred, does not account for all the trouble. The holding companies were as outrageously and recklessly financed as the operating companies under their control, it is shown in the Federal Trade Commission's reports. In many instances on record their stocks were prodigiously watered and they were dangerously overborrowed. They have suffered, too, in many instances from a manipulation of accounts which served to conceal their weaknesses as long as business was booming and any sort of securities was snapped up eagerly by investors.

To take a simple example, the *Electrical World*, in discussing in this issue of May 28, 1932, the effect upon holding companies of fluctuations in the earnings of operating companies, goes on to say:

Such fluctuations necessitate the maintenance of an adequate surplus by holding companies to level peaks and valleys in the earnings from good years and bad.

But some of the holding companies, when hard times came, had little real surplus of this sort to fall back upon. Insull's Middle West Utilities Co. showed on its books when it came before the Federal Trade Commission a supposed earned surplus of \$13,532,000. But the commission's accountants found that much of this did not represent money earned in the course of business and laid by for the rainy day. It represented, in part, only book figures resulting from the marking up of security values and the like. It was of no help in paying off pressing bank loans or meeting dividend requirements.

To sum up, the power companies' rates are still "frozen" at the old exorbitant levels, and since people can not get along without electricity the companies' profits remain substantially as large as they were before the depression. But the hardship this imposes upon the rate payers has failed to

be of much benefit to the hundreds of thousands of investors who bought holding company securities and who have suffered enormous losses.

Mr. President, I want to call the attention of the Senate briefly to the fact that when people were talking about the earning capacity of the power companies they certainly could not have been speaking with reference to the operating companies because, as I have just shown, the operating companies throughout the country have been making money. The holding companies, which were based almost entirely upon watered stock and which were organized for the sole purpose of milking the operating companies and selling their watered stock to an unsuspecting public, have been the only ones who, as a matter of fact, have lost during the depression. They have lost because of the fact that they had no real assets.

From a reading of the Federal Trade Commission report I venture to assert without fear of successful contradiction that there are very few of the holding companies but what could be and should be prosecuted by the Attorney General of the United States of America for using the mails to defraud. If any other industry in the United States, if any group of individuals in the United States, in the Northwest or any other section of the country, had gotten together and perpetrated a fraud upon the people of the United States and upon the stockholders, had used the United States mails for unloading watered stocks upon the public and making the representations which those companies have made, they would have been prosecuted and sent to the penitentiary for using the mails to defraud. I say that because of the fact that I have had some experience in prosecuting cases of that kind. I can take the Federal Trade Commission report and show where these companies have sent fraudulent and false misrepresentations through the mails with respect to what they were actually getting in the way of profits and what they actually had in the way of assets.

But, Mr. President, it seems to be a hopeless task to do anything with a group of individuals who have the enormous power and the enormous backing and the enormous money that some of the power companies and interests have. It is not only true of the power companies, but it is true of a lot of other companies which were operating and selling their stocks upon the stock markets during the boom time.

I am in hopes that the Banking and Currency Committee will go to the very bottom of the stock-market debacle and that they will not simply scratch the surface—not so much with the idea of trying to send somebody to the penitentiary, but with the idea of enacting some legislation to prevent this sort of thing occurring in the future and with the view of enacting legislation of a national scope that will make it criminal for these people to carry on their pools, as has been shown before the Committee on Banking and Currency, and likewise to make it criminal to carry on short selling as has been done on the New York Stock Exchange. If this session of Congress did nothing more than to prevent that practice, we would be really doing some constructive work which would be of untold benefit to the people of the country.

PROHIBITION—STATEMENT OF JOHN D. ROCKEFELLER, JR.—
PROPOSED PARTY PLANKS

Mr. TYDINGS. Mr. President, I ask unanimous consent to have printed in the *Record* a statement of Mr. John D. Rockefeller, jr., on the subject of prohibition, as carried this morning in the *New York Herald Tribune*.

Mr. WHEELER. Mr. President, will the Senator from Maryland yield to me?

The VICE PRESIDENT. Does the Senator from Maryland yield to the Senator from Montana?

Mr. TYDINGS. I yield.

Mr. WHEELER. Does the Senator think the fact that Mr. John D. Rockefeller, jr., has changed his views with reference to prohibition means that Mr. Hoover is going to change his views in reference to that subject?

Mr. TYDINGS. I should not be surprised if that were so.

There being no objection, the statement was ordered to be printed in the *Record*, as follows:

[From the New York Herald Tribune, June 7, 1932]

My position may surprise you, as it will many of my friends. I was born a teetotaler; all my life I have been a teetotaler on principle. Neither my father nor his father ever tasted a drop of intoxicating liquor, nor have I. My mother and her mother were among the dauntless women of their day, who, hating the horrors of drunkenness, were often found with bands of women of like mind, praying on their knees in the saloons in their ardent desire to save men from the evils that so commonly sprang from those sources of iniquity. Although a teetotaler on principle and in practice, I have always stood for whatever measure seemed at the time to give promise of best promoting temperance. With my father, I for years supported the Anti-Saloon League in both its State and National work. It was at one time reported that our contributions toward the passage of the eighteenth amendment amounted to between \$15,000,000 and \$30,000,000. As I have previously stated, from the year 1900 up to and including the date of the passage of the eighteenth amendment, the contributions of my father and myself to all branches of the Anti-Saloon League, Federal and State—the only contributions made by us in support of prohibition legislation—aggregated \$350,000.

When the eighteenth amendment was passed I earnestly hoped—with a host of advocates of temperance—that it would be generally supported by public opinion and thus the day be hastened when the value to society of men with minds and bodies free from the undermining effects of alcohol would be generally realized. That this has not been the result, but, rather, that drinking generally has increased; that the speak-easy has replaced the saloon not only unit for unit but probably twofold if not threefold; that a vast army of lawbreakers has been recruited and financed on a colossal scale; that many of our best citizens, piqued at what they regarded as an infringement of their private rights, have openly and unabashedly disregarded the eighteenth amendment; that as an inevitable result respect for all law has been greatly lessened; that crime has increased to an unprecedented degree—I have slowly and reluctantly come to believe.

I am not unmindful of the great blessing which the abolition of the saloon has been to our country or of certain other benefits that have resulted from the adoption of the eighteenth amendment. It is my profound conviction, however, that these benefits, important and far-reaching as they are, are more than outweighed by the evils that have developed and flourished since its adoption, evils which, unless promptly checked, are likely to lead to conditions unspeakably worse than those which prevailed before.

It is not to be expected that the repeal of the eighteenth amendment will in itself end all these evils and restore public respect for law. I believe, however, that its repeal is a prerequisite to the attainment of that goal. I am informed that should repeal become effective all the machinery for controlling the liquor traffic built up in the respective States and in the Nation throughout the many years prior to the enactment of the eighteenth amendment would, with few exceptions, be in force, strengthened by various Federal laws and court decisions having to do with the regulation of interstate commerce. Moreover, were the eighteenth amendment to be repealed, sufficient time ought to be given before repeal became effective to permit the various States through legislative action representing public opinion to set up such new safeguards or methods with reference to the handling of alcoholic beverages as seemed best calculated to insure adequate and proper control of the traffic in the interest of temperance and at the same time safeguard the normal liberty of action of the individual.

There are many who, feeling as I do, that the eighteenth amendment has not accomplished the object which its enactment sought to attain, would willingly favor its repeal were some alternate method that gave promise of better results offered as a substitute. In my judgment, it will be so difficult for our people as a whole to agree in advance on what the substitute should be, and so unlikely that any one method will fit the entire Nation, that repeal will be far less possible if coupled with an alternate measure. For that reason I the more strongly approve the simple, clear-cut position you are proposing to recommend and which I shall count it not only a duty but a privilege to support.

My hope is that the tremendous effort put forth in behalf of the eighteenth amendment by millions of earnest, consecrated people will be continued in effective support of practical measures for the promotion of genuine temperance. To that cause my own efforts will ever be devoted.

Very sincerely,

JOHN D. ROCKEFELLER, JR.

Mr. TYDINGS. Mr. President, I notice that there are now absent from the Chamber many Senators of both parties, Democrats as well as Republicans. I should not be surprised if a great many of them are engaged in working on an ideal prohibition plank, and having some facility in expressing myself along political lines, I have thought perhaps I could save them all a great deal of trouble. So I have prepared a very short and very ideal prohibition plank which, if adopted, would please everybody, and which, I hope, will render unnecessary in the future the labors of Senators along this line and enable them to return to the Chamber to take part in the debate.

The plank which I propose is to be read at national conventions accompanied on the pipe organ by Hearts and Flowers.

The plank reads as follows:

We recognize there are three groups of thought about national prohibition.

1. There is the dry group. We love all those persons in this group who no doubt are dry because of love for those who are opposed to national prohibition. We know that nothing but love and kindness for others could cause people to embrace national prohibition.

2. There is the repeal group. We love all those persons in this group who, no doubt, are wet because of love of those who are in favor of national prohibition. We know that nothing but love and kindness for others could cause people to oppose national prohibition.

3. There is the modification group. We love all those persons in this group who, no doubt, are modifiers because of love for those who are either wet or dry as regards national prohibition. We know that nothing but love and kindness for others could cause people to be neither for nor against national prohibition.

We therefore point out to all and invite all persons to support the above plank, because it is filled with love and kindness and fair to all shades of opinion on this subject. Amen.

Mr. SHEPPARD. Mr. President, the Senator from Maryland said that the prohibition planks he proposed should be accompanied by the melody to which the name "Hearts and Flowers" has been given. That would be very appropriate. The hearts would be the broken hearts of the victims of the liquor traffic, and the flowers would be the flowers sent for the dead who have perished from its ravages.

LEGISLATIVE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 11267) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from New Hampshire [Mr. Moses] as modified, on which the yeas and nays have been ordered.

Mr. MOSES. Mr. President, the yeas and nays having been ordered, before the vote is taken I wish to make it entirely clear as to what took place with reference to my withdrawal of the so-called Vandenberg amendment and the subsequent rejection of that amendment by the Senate. It includes not only the matter printed in italics, in section (d), on page 3 of the printed amendment, but it includes also the amendment on page 5, line 14, and line 17, where the 16½ per cent and 10 per cent are put in as amendments. Those were all included in the amendment which was withdrawn by me and then voted upon separately by the Senate.

Mr. JONES. Mr. President, I am not going to take the time of the Senate to discuss the question further. I hope we may have a vote on it, but I think we should have a quorum before the vote begins. I, therefore, suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|-----------|--------------|----------------|---------------|
| Ashurst | Dale | Kean | Schall |
| Austin | Davis | Kendrick | Sheppard |
| Bankhead | Dickinson | Keyes | Shipstead |
| Barbour | Dill | King | Shortridge |
| Barkley | Fletcher | La Follette | Smith |
| Bingham | Frazier | Lewis | Smoot |
| Blaine | George | Logan | Steiwer |
| Borah | Glass | McGill | Thomas, Idaho |
| Bratton | Glenn | McKellar | Thomas, Okla. |
| Broussard | Goldsborough | McNary | Townsend |
| Bulkeley | Gore | Metcalf | Trammell |
| Bulow | Hale | Moses | Tydings |
| Byrnes | Harrison | Neely | Vandenberg |
| Capper | Hastings | Norbeck | Wagner |
| Caraway | Hatfield | Norris | Walcott |
| Carey | Hawes | Nye | Walsh, Mass. |
| Cohen | Hayden | Oddie | Walsh, Mont. |
| Connally | Hebert | Patterson | Watson |
| Coolidge | Howell | Pittman | Wheeler |
| Costigan | Hull | Reed | White |
| Couzens | Johnson | Robinson, Ark. | |
| Cutting | Jones | Robinson, Ind. | |

The PRESIDING OFFICER (Mr. DICKINSON in the chair). Eighty-six Senators having answered to their names, a quorum is present. The question is on the amendment of the Senator from New Hampshire [Mr. MOSES], as modified, on which the yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HATFIELD (when his name was called). I have a general pair with the senior Senator from North Carolina [Mr. MORRISON]. Not knowing how he would vote, I withhold my vote. If permitted to vote, I should vote "yea."

Mr. JONES (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. SWANSON]. I transfer that pair to the Senator from Colorado [Mr. WATERMAN], and will vote. I vote "nay."

Mr. LA FOLLETTE (when his name was called). I have a pair for the day with the Senator from North Carolina [Mr. BAILEY]. I am advised that if present he would vote "nay." If at liberty to vote, I should vote "yea."

Mr. McNARY (when his name was called). On this question I have a pair with the junior Senator from Oklahoma [Mr. GORE]. Not knowing how he would vote, I withhold my vote.

Mr. ROBINSON of Indiana (when his name was called). I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS]. In his absence I withhold my vote.

Mr. SCHALL (when his name was called). I have a pair with the Senator from Alabama [Mr. BLACK]. If at liberty to vote, I should vote "yea."

Mr. WATSON (when his name was called). The Senator from South Carolina [Mr. SMITH], with whom I have a general pair, is unavoidably detained from the Senate. Not knowing how he would vote, I am compelled to withhold my vote. If I were at liberty to vote, I should vote "yea."

The roll call was concluded.

Mr. GLENN. I have a general pair with the junior Senator from Louisiana [Mr. LONG], who is absent from the city. I therefore withhold my vote. If at liberty to vote, I should vote "yea."

Mr. WAGNER. My colleague [Mr. COPELAND] is detained on account of illness. He is paired with the senior Senator from Ohio [Mr. FESS].

Mr. SHEPPARD. I desire to announce that the Senator from Alabama [Mr. BLACK], the Senator from Mississippi [Mr. STEPHENS], the Senators from North Carolina [Mr. MORRISON and Mr. BAILEY], the Senator from Louisiana [Mr. LONG], and the Senator from Virginia [Mr. SWANSON] are necessarily out of the city.

I also wish to announce that the Senator from Oklahoma [Mr. GORE] is necessarily detained on official business.

The result was announced—yeas 36, nays 41, as follows:

YEAS—36

| | | | |
|----------|--------------|------------|---------------|
| Austin | Davis | Neely | Steiwer |
| Barbour | Frazier | Nye | Thomas, Okla. |
| Blaine | Goldsborough | Oddie | Townsend |
| Carey | Hawes | Patterson | Vandenberg |
| Coolidge | Hebert | Pittman | Wagner |
| Costigan | Johnson | Reed | Walcott |
| Couzens | Kean | Shipstead | Walsh, Mass. |
| Cutting | Logan | Shortridge | Wheeler |
| Dale | Moses | Smoot | White |

NAYS—41

| | | | |
|-----------|-----------|----------|----------------|
| Ashurst | Caraway | Hayden | Norbeck |
| Bankhead | Cohen | Howell | Norris |
| Barkley | Connally | Hull | Robinson, Ark. |
| Bingham | Dickinson | Jones | Sheppard |
| Borah | Dill | Kendrick | Thomas, Idaho |
| Bratton | Fletcher | Keyes | Trammell |
| Broussard | George | King | Tydings |
| Bulkey | Glass | Lewis | Walsh, Mont. |
| Bulow | Hale | McGill | |
| Byrnes | Harrison | McKellar | |
| Capper | Hastings | Metcalf | |

NOT VOTING—19

| | | | |
|-----------|-------------|----------------|----------|
| Bailey | Glenn | McNary | Stephens |
| Black | Gore | Morrison | Swanson |
| Brookhart | Hatfield | Robinson, Ind. | Waterman |
| Copeland | La Follette | Schall | Watson |
| Fess | Long | Smith | |

So Mr. MOSES' amendment, as modified, was rejected.

Mr. SHEPPARD. Mr. President, I am in receipt of a telegram from Houston, Tex., signed by M. K. Williams and 7,769 other citizens. The telegram, including the signatures, comprises 22,381 words. The manager of the Western Union tells me it is the longest telegram ever received at Washington. The message part is short, and I ask that the message part be published in the RECORD. It urges prompt action on revenue, drastic economies, and an immediate adjournment of Congress after these matters have been cared for.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The telegram is as follows:

HOUSTON, TEX., June 6, 1932.

Hon. MORRIS SHEPPARD,

United States Congress, Washington.

(For Texas Senators and Representatives.)

We, the undersigned, implore our Texas Senators and Congressmen to join in securing drastic economies in governmental expenses. It is our opinion that the estimated returns from income taxes will not secure the expected increases, due to the poverty of all the people, including thousands of the former rich, and that to balance the Budget of our Government we must put into effect the same economies that have been found necessary by all lines of business and individuals. We believe it is now time for the appropriations to be slashed and we call upon you to insist upon such action. All business of this country is being imperiled by the uncertainties of taxation and appropriations. The people are in fear of worse to come and the sooner Congress adopts the new tax bill and acts upon a program of economy the better it will be for the entire country. Take these two actions, consider no other matters, and then adjourn. The 7,770 signatures to this telegram were signed in one day.

M. K. WILLIAMS (other signatures omitted).

Mr. SHORTRIDGE. Mr. President, in accordance with the notice given by me on Saturday last, I now enter motions to reconsider, first, the vote agreeing to the reported amendment, on page 46, lines 16 and 17; and, second, the vote rejecting the amendment proposed by the Senator from New York [Mr. COPELAND] to the foregoing amendment exempting members of the Metropolitan police force and the Fire Department of the District of Columbia from reductions in compensation under section 102.

I enter that motion as of now, pursuant to the notice given on Saturday.

The PRESIDING OFFICER. The motion will be received and lie on the table. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the heading "Title II—Provisions affecting personnel," on page 52, after line 18, to strike out:

COMPULSORY RETIREMENT FOR AGE

Sec. 204. On and after July 1, 1932, no person rendering civilian service in any branch or service of the United States Government or the municipal government of the District of Columbia who shall have reached the retirement age prescribed for automatic separation from the service, applicable to such person, shall be continued in such service, notwithstanding any provision of law or regulation to the contrary: *Provided*, That no such person heretofore or hereafter separated from the service of the United States or the District of Columbia under any provision of law or regulation providing for such retirement on account of age shall be eligible again to appointment to any appointive office, position, or employment under the United States or the District of Columbia: *Provided further*, That this section shall not apply to any person named in any act of Congress providing for the continuance of such person in the service.

The amendment was agreed to.

The next amendment was, on page 53, line 12, to insert the following subhead:

Rate of compensation upon which retired pay shall be based.

The amendment was agreed to.

The next amendment was, on page 53, line 21, after the designation "Title I," to insert a colon and the following proviso:

Provided, That retirement deductions authorized by law to be made from the salary, pay, or compensation of officers or employees and transferred or deposited to the credit of a retirement fund, shall be based on the regular rate of salary, pay, or compensation instead of on the rate as temporarily reduced under the provisions of this act.

So as to make the section read:

Sec. 204. The provisions of this part of this act providing for temporary reductions in compensation and suspension in automatic increases in compensation shall not operate to reduce the rate of compensation upon which the retired pay or retirement benefits of any officer or employee would be based but for the application of such provisions, but the amount of retired pay shall be reduced as provided in Title I: *Provided*, That retirement deductions authorized by law to be made from the salary, pay, or compensation of officers or employees and transferred or deposited to the credit of a retirement fund, shall be based on the regular rate of salary, pay, or compensation instead of on the rate as temporarily reduced under the provisions of this act.

The amendment was agreed to.

The next amendment was, under the subhead "Temporary reduction of travel allowances," on page 54, after line 5, to strike out:

(a) The traveling and per diem allowances provided for in sections 3, 4, 5, and 6 of the subsistence expense act of 1926, approved June 3, 1926 (U. S. C., Sup. V, title 5, secs. 823-826), shall not exceed the amounts of \$5, \$4, \$6, and \$5, respectively, in lieu of the amounts set forth in such sections.

The amendment was agreed to.

The next amendment was, on page 55, after line 13, to insert:

PERMANENT REDUCTION OF TRAVEL ALLOWANCES

Sec. 206. Section 3 of the subsistence expense act of 1926, approved June 3, 1926 (44 Stat. 688, 689), is hereby amended to read as follows:

"Sec. 3. Civilian officers and employees of the departments and establishments, while traveling on official business and away from their designated posts of duty, shall be allowed, in lieu of their actual expenses for subsistence and all fees or tips to porters and stewards, a per diem allowance to be prescribed by the head of the department or establishment concerned, not to exceed the rate of \$5 within the limits of continental United States, and not to exceed an average of \$6 beyond the limits of continental United States."

The amendment was agreed to.

The next amendment was, at the top of page 56, to insert:

Sec. 207. Sections 4, 5, and 6 of the said subsistence expense act of 1926 are hereby repealed, and section 7 thereof is hereby amended by striking out the reference therein to actual expenses so that the section, as amended, will read as follows:

"Sec. 7. The fixing and payment of per diem allowance, or portions thereof, shall be in accordance with regulations which shall be promulgated by the heads of departments and establishments and which shall be standardized as far as practicable and shall not be effective until approved by the President of the United States."

The amendment was agreed to.

The next amendment was, on page 56, after line 11, to insert:

Sec. 208. Hereafter, no law or regulation authorizing or permitting the transportation at Government expense of the effects of officers, employees, or other persons, shall be construed or applied as including or authorizing the transportation of an automobile.

The amendment was agreed to.

The next amendment was, on page 56, after line 16, to insert:

Sec. 209. The provisions of all acts heretofore enacted inconsistent with the provisions of sections 206, 207, and 208 are, to the extent of such inconsistency, hereby repealed.

The amendment was agreed to.

The next amendment was, under the subhead "Limitations on amount of retired pay," on page 58, after line 4, to strike out:

(b) This section shall not apply to officers on the emergency officers' retired list created by the act of May 24, 1928, and shall not apply to any person retired for disability incurred in line of duty.

Mr. FLETCHER. Mr. President, I offer an amendment at that point. Beginning in line 5, in lieu of what is stricken out, I move to insert:

(b) This section shall not apply to any person retired for injuries received in battle.

The PRESIDING OFFICER. The amendment offered by the Senator from Florida to the amendment of the committee will be stated.

The CHIEF CLERK. On page 58, beginning at line 5, in lieu of the committee amendment, it is proposed to insert the following:

(b) This section shall not apply to any person retired for injuries received in battle.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Florida explain the purpose and effect of his amendment.

Mr. FLETCHER. Section 211, just preceding, on page 57, makes a limitation on the amount of retired pay. It reads as follows:

(a) After the date of the enactment of this act, no person holding a civilian office or position, appointive or elective, under the United States Government or the municipal government of the District of Columbia or under any corporation, the majority of the stock of which is owned by the United States, shall be entitled, during the period of such incumbency, to retired pay from the United States for or on account of services as a commissioned officer in any of the services mentioned in the pay adjustment act of 1922 (U. S. C., title 37), at a rate in excess of an amount which when combined with the annual rate of compensation from such civilian office or position, makes the total rate from both sources more than \$3,000; and when the retired pay amounts to or exceeds the rate of \$3,000 per annum such person shall be entitled to the pay of the civilian office or position or the retired pay, whichever he may elect. As used in this section, the term "retired pay" shall be construed to include credits for all service that lawfully may enter into the computation thereof.

I think this ought not to apply to a retired officer who is retired for injury received in battle. I offer the amendment because I think that an officer who has been actually wounded in battle ought not to be deprived of his retired pay.

Mr. REED. Mr. President, of course we all sympathize with an officer who is wounded in action; but he is not entitled to one particle more sympathy than a fellow officer or fellow soldier right beside him who gets pneumonia from living in the trenches. One suffers in his country's service just as much as the other.

I should hope that the Senator would broaden his amendment so as to make it cover injuries received or disability suffered in line of duty.

Mr. FLETCHER. I have no objection to that; and I accept that amendment.

Mr. KING. Mr. President, may I inquire what the purpose of this amendment is? As I understand—and I am not very familiar with the bill, because of the press of other duties—there are a large number of persons who are receiving employment at the hands of the Government who have retired pay, and the purpose of this section is that they shall not receive in the aggregate more than the salary which is provided for the position which they are filling. In other words, they are restricted to the salary which is fixed by law.

Mr. REED. Mr. President, under the unanimous-consent agreement that has been made we are restricted a little bit in dealing with this subject. I have printed and lying on the desk an amendment dealing with the body of this paragraph, at the bottom of page 57; but inasmuch as the amendment now offered by the Senator from Florida deals with a committee amendment and not with the House text, it forces that amendment to be considered first, and my amendment has to lie over until all the committee amendments are acted on.

In other words, we are dealing with the exception before we establish the rule, which is an awkward way of going about the matter. I hope to see the whole section amended, so as to provide uniformly for all officers, and provide that the combination of their retired pay and their civilian pay shall not be permitted to exceed the amount they were getting before retirement. That would be a just rule. Under such a rule as that, the scandals in the Veterans' Bureau could not have occurred. Unfortunately, however, our procedure is such that we have to deal with the exception first before we deal with the general rule.

The PRESIDING OFFICER. Let the Chair suggest that it would be well for the Senator from Florida to permit the

committee amendment to be considered now, and then the two amendments could be taken up in their order when the other amendments to the bill are being considered.

Mr. REED. I suggest that that would be better. When we get to amendments to the House text, then the Senator from Florida can offer his amendment as an addendum to the House text in subdivision (a), and we can take up the whole matter of the general rule and the exception at one time.

Mr. BRATTON. Mr. President, will the Senator from Pennsylvania yield?

Mr. REED. I yield.

Mr. BRATTON. I was going to suggest to the Senator from Florida that we let this matter go over until we reach and dispose of Title VII. Our action on that may have some bearing on this question.

Mr. REED. To which amendment does the Senator refer?

Mr. BRATTON. The amendment the Senator from Florida is now offering. I suggest that we let the matter go over by unanimous consent until we make disposition of Title VII.

Mr. FLETCHER. Mr. President, the question arose on agreeing to the committee amendment, and I wanted to have this matter attended to before that amendment was agreed to or rejected, because I am proposing to substitute something for the committee amendment. I quite agree with the Senator from Pennsylvania that the body of the section really ought to be dealt with before we get to the exception. But we were not doing that, and an exception was about to be acted on, so I offered the amendment. I am willing to let it go over.

The PRESIDING OFFICER. Let the Chair suggest that the committee amendment go over, as well as the pending amendment, until the other committee amendments are agreed to, and then the whole matter can be considered.

Mr. FLETCHER. Mr. President, I appreciate the suggestion of the Chair, and on condition that the whole matter shall go over until we deal with the other section, I withdraw the amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn, and the clerk will state the next amendment of the committee.

The next amendment was, on page 58, line 9, to strike out the subhead "Personnel reductions—Married persons," and insert in lieu thereof "Appointment of married persons."

The amendment was agreed to.

LEGISLATION RECOMMENDED BY CONFERENCE OF MUNICIPAL EXECUTIVES

Mr. VANDENBERG. Mr. President, a few days ago there was held in the city of Detroit a conference of the chief executives of several American municipalities dealing with the municipal fiscal difficulty which impends in such dire emphasis in many parts of the country. That conference named a committee consisting of Frank W. Murphy, mayor of Detroit; James M. Curley, mayor of Boston; Dan W. Hoan, mayor of Milwaukee; George W. Welsh, city manager, Grand Rapids; Ray Miller, mayor of Cleveland; William T. Anderson, mayor of Minneapolis; and T. S. Walmsley, mayor of New Orleans, to present a memorial to the Vice President. The committee has just presented the memorial to the Vice President, and I desire now to submit it to the Senate. I send it to the desk and ask that it may be read.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Is there objection? The Chair hears none, and the clerk will read the memorial.

The Chief Clerk read as follows:

I. PREAMBLE

The world and the Nation are at war. The enemy is hunger. We have it on reliable authority that the extent of unemployment in the United States now equals that of all Europe combined—which means all the rest of the industrial world. This has precipitated an emergency unprecedented in modern times. Such a situation calls for the prompt, vigorous, and intelligent measures which war always makes imperative.

We do not in any sense retreat from the position, fundamental in our democratic system, that in normal times municipal governments must maintain themselves, perform their proper functions,

and solve the social and economic problems incident to such normal activity. But these are not normal times. It is a crisis, imminent and terrifying. The long period during which unemployment has continued and increased has created conditions of suffering and need nothing less than appalling.

The cities of the Nation, large and small, have met these conditions with resourcefulness and courage. But all their resources of money and credit are nearing exhaustion. Relief must be found or nation-wide insolvency will result. Tax delinquencies have increased to an alarming extent. Our industrial cities are staggering under the burden of debts incurred as a result of the vast expansion of prosperous years. The interest and sinking charges on these obligations represent a wholly disproportionate burden at the present time, due to the greatly increased purchasing power of the dollar. Even those municipalities which have instituted the most rigid economies in operation are now in a precarious situation. Not only welfare relief but essential governmental services are now threatened and the very foundations of our social order are imperiled. In the face of this threat against human welfare and human life itself measures must be employed as drastic as those of military authority in times of actual physical warfare.

The problem is now a national one. The Federal Government is the only agency that represents all the people and is able to deal adequately with the emergency. It has the unlimited credit of the Nation, and by intelligent planning it can provide for the human welfare and security of its citizens. The measures we are advocating are entirely consistent with a sound fiscal policy and need not in any way disturb our national credit or stability. Hence the Federal Government is the one remaining source to which we can turn in this emergency, and we do so with confidence that wise and adequate assistance will not be denied.

II. RECOMMENDATIONS

We therefore, mayors, city managers, and representatives of 31 leading cities of the United States, called into conference at Detroit, Mich., June 1, 1932, after careful consideration of the facts set forth in this preamble, submit the following as a remedy, in whole or in part, for the critical conditions described:

1. We recommend that a \$5,000,000,000 prosperity loan be made available immediately for national projects to effectuate the employment of millions of men and in this manner to provide work for our jobless, redistribute purchasing power, and thereby stimulate industry. We recommend that this be done by Congress declaring war, not figuratively but literally, against unemployment and depression; and that to this end a work army be mobilized, as armies were mobilized in 1917-18, for work on national projects throughout the United States.

2. We recommend the immediate enactment of such relief legislation as may be necessary to conserve the welfare of the American people during the present industrial depression.

3. We recommend an amendment to the congressional act incorporating the Reconstruction Finance Corporation, or such other legislation as may be finally determined advisable, to permit such corporation to invest its assets in notes, debentures, bonds, or other faith and credit obligations of cities for public welfare, to provide money for delinquent tax obligations and the refunding of bonds and obligations to release funds necessary to maintain the adequate and proper operation of municipal government.

4. We recommend that copies of these resolutions be presented to the President and the Congress of the United States and be made available to the press of the Nation.

Mr. VANDENBERG. Mr. President, I ask that the memorial be referred to the Committee on Banking and Currency.

The PRESIDING OFFICER. Without objection, it is so referred.

Mr. SHEPPARD. Mr. President, I wish to say that the Senate is signally honored by the presence in one of its galleries of the mayors signing the memorial which was read a moment ago. One of them is a former Member of Congress. These men speak straight from the heart in behalf of the American masses, and the Senate would do well to consider seriously what they say.

Mr. NORRIS. Mr. President, I hope the Committee on Banking and Currency will take some action on this memorial. It seems to me that the recommendations of the memorial just read by the clerk present one of the fairest and what would be one of the most effective methods of reaching the unemployment situation that has been presented to the Senate.

Those who favor the recommendations proposed by the mayors, or in some part favor them, at least, and began advocating practically the same thing last fall before Congress convened, and continued in their advocacy of those methods after Congress convened, met with bitter opposition from all sides. If the advice of those who favored that kind of a proposal had been heeded and acted on last December when Congress convened, the things asked for would have been in operation at this moment, millions of men now walking the streets hunting for jobs would have been in positions, they would have been able to support themselves

and their families, and would have been spending for the necessities of life the money obtained from such employment.

Nobody can tell exactly how far-reaching such a program would have been. It is quite evident, however, that it would have gone away beyond the immediate employment of the men concerned. It would have gone away beyond what we could possibly imagine. The effect of it would have reached into all channels of trade and activity.

Many men who are now out of employment, even though they would not have been employed directly in the method advocated by this memorial, would have been employed, nevertheless, because the effect of the plan would have reached into every community and into every business, and would have had a direct bearing upon the country at large.

It would have necessitated the issuance of bonds, it is true, something we are to come to if we are to tide over the coming winter those who will be in need of assistance. The difference would have been that the unemployment would have been much less extensive, the distress not so great, and the suffering not so far-reaching.

Mr. President, it seems to me it would have been better if we had met in a national way the conditions, which have been continually getting worse, and it would have been better if we had met them at the beginning. No one can tell now just what the immediate future has in store, but the summer is half over, and those who said last fall that when spring came unemployment would disappear have had their eyes opened, and now begin to realize that those few who urged last fall that we take the step now suggested, so that we would be ready at the beginning of this summer to put the unemployed to work, were right; they realize that the prophecies then made have been fulfilled and the warnings then given have been proven justified. Much as I regret it we will be face to face a year later with a problem that ought to have been met frankly at the very beginning, which has been much increased in its suffering and in its widespread effect.

Bonds of the Federal Government, I think, will have to be issued. Municipalities and States and charitable organizations have gone the extreme limit. They will not be able to carry on next winter as they did last winter. Moreover, there is only one fair way of meeting this great depression and the questions that it raises. It is not fair to call upon the charitably inclined people of the United States to bear all the burdens. They have done well, both rich and poor, but many who are able to contribute do not contribute as they should. Many contribute nothing. Many contribute in much smaller amounts than their ability to pay would indicate they should contribute. There is only one fair way to reach them and that is through taxation methods.

Mr. President, it is much better to give a man a job than to let him remain idle, and feed and clothe him, and feed and clothe his family. It is much better for the Government and saves lots of money because we get something in return if we employ him. It is much better for him because it gives him an independence that can not be his if he is compelled to receive charity to keep himself and his family alive.

I hope the Committee on Banking and Currency will give consideration to this memorial in passing upon the various measures that are before it. I do not understand why the memorial should go to that committee, but I have no objection to it going there. I would not be inclined to raise a technical question as to where it should go, but I would like to have it fall into sympathetic hands, as it probably will in that committee.

Mr. LEWIS. Mr. President, I felicitate the Senator from Texas [Mr. SHEPPARD] in his observation; and while I may not have in mind the particular gentleman to whom he alludes, I can not overlook the fact that I have seen through the history of my country during the last year that none has been more active in the aid of the miserable and seeking some remedy for the unfortunate of our country than that distinguished mayor of Boston, Mayor Curley, and his aides. The eminent Senators from Massachusetts, whatever might

have been the differences in local matters, have never failed to pay their tribute to the merit of this gentleman.

Mr. President, I add felicitation to all of those who, in their homes and otherwise, have been lifting from the shoulders of the Nation a great burden and seeking to carry it themselves out of a sense of pride of locality. I prefer to confess frankly that I regard all the old theories of the divisions of government as having now been merged out by time and that a new era of civilization has set upon this Republic, where no longer the mere divisions of State and Nation in themselves are to be allowed to obstruct and defeat necessary remedy for the relief of citizenship in distress.

But, Mr. President, I have seen of late so much exhibition of that fetish of worship of the ancient order of the theories of the Republic called Hamiltonian or Jeffersonian power of State or of Nation, these no longer fitting to present conditions under consideration. I have seen ignored the needs of the day in order to pay devotion to these worn and raveled theories which merely serve as a netting to entrap and then enmesh to confusion every form of relief necessary to the citizen. We have reached the point when it is assumed that the citizen has been created for the Government, but mankind in our country fail to recognize the truth, that government has been created for the citizen.

Mr. President, I am this morning attracted that the public press states that that distinguished citizen of my State of Illinois, Gen. Charles Gates Dawes, withdraws himself from the public service to our country, where he has been heretofore attached as one of the officers of the Reconstruction Finance Corporation, and honored as the first of statesmen and first of patriots. I am pleased to pay to one whom I have long known the tribute of his worthiness. I have served with him in civic capacity in our city of Chicago in civil reforms, and likewise during the World War. It was to Dawes, the head of the Supply Division, I was sent by the Secretary of War and the President of the United States, and thereafter the service I was ordered to and executed at Paris was resumed at Chaumont with General Pershing. In all these I saw his great martial organization capacity. These military matters are merely referred to by me to indicate that my relationship is of a personal character that forbids a criticism that could be called one of antagonism or enmity.

But I observe that my friend, the former Vice President of the United States and the eminent head of the great corporation to which I have referred, is credited with an interview given to the public press that will do much to paralyze the hopes of the distinguished Senator from Nebraska [Mr. NORRIS], whose observations we have just heard, and serve to palsy the possibility of their execution and likewise do more to give something of discouragement and retreat to all the efforts that are now being presented in behalf of those in the States and cities who are seeking relief. General Dawes is reported to have said to the press that there is no further need of his services, that prosperity has now come to bless the land, and that it flows through our citizenship as the milk and honey did in the blessed hours when Judea and Israel received their manna from God.

I would that it were true. But as we who are out in the field and in touch with the masses of the people are conscious that they are hungry in millions, on the border of distress that drives them to desperation only limited in resentment by their restraint, and we have known that the millions of needy are multiplying in number, and that different forms of relief are taking on various shades of undertaking. Mr. President, I fear, sir, that these measures brought to the attention of the Chair and of the Senate by the memorial just read may be likened to those which are before the Banking and Currency Committee from many States of the Union, and particularly the one from Illinois, which it was my honor—nay, my sad duty—to present in conjunction and in connection with my colleague [Mr. GLENN]. This one tells the world that the home of General Dawes has in the last week increased in the millions of

those who are hungry and homeless and that the non-employment has multiplied to a degree far in excess of the expressions of those whose fears of danger had far outrun their hopes for relief by decrease of the want and necessities.

I call attention that these documents now upon the table of the Senate, these measures that are now before the Banking and Currency Committee, are those to which the President of the United States has given his approval, among which is one in which are compositely interested the Senators from Massachusetts, New York, Illinois, and Arkansas—our Democratic leader—one which tenders \$300,000,000 to be advanced to the States of the Union which are in such necessity as would call for it. This is to be advanced through the Credit Corporation, the money to be advanced to the Credit Corporation and then by that corporation to be lent to such States as will show their necessities justifying the loans and can offer such securities as under the conditions of that particular State will be appropriate and what might be called conservatively sustaining.

What I want to say is that while these measures are pending looking for relief to these States, while these cities which are harboring the hungry and the miserable and the helpless, while these countless thousands of good men are doing what they can to summon up by invention and execute by effort something that shall give relief, should the statement of General Dawes be accepted throughout the whole Union of States as coming from the Capital where he leaves the highest office of authority, and in association with the highest officials, that there is now complete prosperity come upon the country, that there is no need for any further fear, that there is no justification for the alarm, naturally there will follow that there is no necessity for any further effort, and all mankind will wake to realize a withdrawal of united support, something of a deadening of energy in that splendid assistance for which all mankind engaged may have credit, and which, as the Senator from Nebraska said, has borne down heavily upon the localities to the full extent of their powers. Yet I may say needs more aid, yet all will now be withdrawn and all efforts diminished and the undertakings on the part of those associations rudely be brought to an end under the misapprehension caused by the statement of the distinguished ex-official and former Vice President—General Dawes.

Mr. President, the distinguished gentleman, for whom I have an affection, gave out that statement that he might encourage the financiers to feel that this task which had been committed to this Credit Corporation had all been performed. We hear from the political agents of this Credit Corporation that it has performed with such credit and such complete success as to distribute in every way prosperity through that agency. We can not fail to recognize that while it was intended by that purpose to let the financiers feel that they are being held up before the country as having achieved a great consummation for which they are to be praised, yet the truth is that they have failed to serve the duty and objects that was imposed upon them. The institutions which have been benefited generally have been the large institutions; and now, sir, if the answer to my charge be that the loans went in general to aid the small banks in the country section, I answer "yes," but let us tell the country the truth. The small banks have received the loans wherever it has been shown by the big banks that they owed a debt to the big banks. Thus the little bank was aided to get the credit from the corporation to advance to it credit whereby it could get money from the Credit Corporation to enable it to pay the big bank its debt. That was the real moving reason for the alleged favor to the little banks. The exception to this rule is of small quantity.

But, sirs, a great mass of people around these little institutions, such as the small farmer, with his home still mortgaged, his land being foreclosed, and these can get no relief in any form, and no rescue. The man in the city who is starving and hungry, who is without work, and seeing his

children from day to day withering in life, has gotten no relief. These, of whom we seek to-day to pay our tribute to their patient patriotism, have been unable to see from this department or its agents where any relief has come to them. Therefore, sir, to hold up to the country from such an eminent source as our honorable friend, the former Vice President, that now all is well and complete, quiet may come upon the land in the sense of a composure on the basis that everything has been accomplished and happily received, and to notify the world that in America only prosperity flows like a stream sent by Heaven to the blessed, and that the complaints of mankind of need, from whatever source they may come, are now unjustified. Sir, this false report, I repeat, works to enjoin and then to paralyze the effort so necessary at this time to be continued with great energy if we are to save those who are perishing.

Now, sir, I yield to my friend from Wisconsin for a query, but I wish to make another observation before concluding my remarks.

Mr. BLAINE. Mr. President, I apologize—

Mr. LEWIS. Oh, no need of that.

Mr. BLAINE. For interrupting the rhythm of the eloquence of the Senator from Illinois, and, for fear that if I propounded the question I had in mind, the answer might provoke an anticlimax, I withhold asking the question.

Mr. LEWIS. I hope my friend the eminent Senator from Wisconsin will have no hesitancy in propounding any query to me that he regards appropriate either to the occasion or satisfactory to his own desires.

I wish now, sir, to allude for a moment to some of the observations made by the Senator from Nebraska [Mr. NORRIS], and what I am about to say applies to every one of the Senators on the floor who are interested in the question of relief.

I said a few moments past that I had become fatigued with the fetish worship of old distinctions of State and Nation. That, dwelling upon the one or resting upon the other, we have diverted ourselves of the opportunity of serving mankind and the citizens of the country of deserts. I invite the Presiding Officer who is in the chair at this moment, the senior Senator from Wisconsin [Mr. LA FOLLETTE], to recall that the measure presented by himself for the people, that which was presented by the Senator from New York [Mr. WAGNER] and his colleagues in behalf of the States, and that presented by myself and Senator COPELAND on behalf of the cities and the municipalities of the States were defeated upon the theory of the cry that would come back, and had come back to this body, that the people in the localities were able to take care of their own, and that they resented the daring intrusion and impudent advance on the part of the Government to come to the rescue or aid of their people. They scoffed the thought, they scorned the doctrine of human rights, and wherever they could they repudiated the opportunity of the service.

Now, Mr. President, I ask the Senate to behold the situation as now confessed. I speak now for Illinois, which among others is a great State, but as to which I expect to hold responsibility for action of its citizens. The very gentlemen of my State, eminent officials, who did all they could by their protest to this body to restrain and stifle action that would have given the relief when we could have succeeded are those who now sign the very telegrams which I have introduced in this body demanding aid from the Government for the relief of those for whom we sought it, when our efforts were defeated by the very gentlemen who are asking for it now.

That set of gentlemen, being deceived in themselves, flattered with the suggestion inwardly palpitating in their bosoms that by holding out to the world that their locality could take care of itself; that its people were quite able and willing to do so, and that they scorned the acceptance of the offer of the Government. They wished to leave the impression in the large financial circles of the world that the eminent masters of finance were able to care for their own and that their manipulations and theories of money

had been so successful as to lead them where they had no fear, and finally they wished the credit themselves as master men of generosity of nature, charity of heart, and their Christianity of practice as would command all mankind to feel that, in their humanity, those in their locality would be safely preserved by these self-constituted directors of Government in opposition to the action of Congress.

Mr. President, what has been the result of all of that? It is that if these people had taken a little thought and had realized that the demands of humanity are much higher than the mere demands of form and custom and that it is the right of mankind to be permitted in the community to toil, to earn a living, to enjoy from the sweat of its brow independence, we would to-day not have such conditions as compel us now to advertise before all civilization that the richest country in the world, with the greatest possessions of earth as a nation, a land that was uninvaded in war, that had to bear none of the oppressions endured by its rivals in Europe, now is compelled to confess to the mismanagement by those in power, the deliberate corruption of those in trust, the complete betrayal of the humble who hoped to have the right advanced to them by those who kept them under the leash. We are now confessing that as to these we certify to the world an inability to take care of them in the localities where they live, despite the richness and largeness of possessions on the part of those who boasted they would be able to circumvent the Congress of the United States.

Now, sir, with this unhappy confession before the world, I hope we will dismiss all the distinctions, that we will contemplate no longer that there has ever been a division, but will move, I hope with great unanimity, to the object, and that from the committee will come favorable reports on all these measures, that the reports may be in union, and that then this corporation, known as the Reconstruction Finance Corporation, will be authorized to advance money, under proper supervision of a business standard, to the cities, the counties, and the States so that they may distribute it to the needy to maintain the independence of the citizen and place him at last where he can turn to his Government and be conscious of his preservation through the United States of America, and, sir, that no longer will be in his bosom the suggestion of following those who heretofore in other lands have incited revolution as their course of remedy; but conscious that his Government, after having yielded to the deceptive distinctions that were born in theory and oftentimes have been used as evasion of duty to him, now, sirs, in new light we move forward to achieve the object of which these will find to their benefit—work—for those of whom the Holy Scripture said, "I will come as a swift witness to those that oppress the laborer in his toil."

So that those who are without labor, who in their sickness and distress as citizens of the land may recognize in their sovereign independence they are being preserved by their country, and before all the world they certify that never revolution, riot, or insurrection shall be indorsed by them as necessary in this land, but, on the contrary, that in peace, in order, in happiness and gratitude to their country preserved and these people restored to their rights, they thank God they are Americans.

LEGISLATIVE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 11267) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes.

The PRESIDING OFFICER. Without objection, the amendment in line 9, page 58, will be agreed to. The clerk will state the next amendment.

The next amendment of the Committee on Appropriations was, on page 58, line 11, after the word "sec.," to strike out "209" and insert "212," and in the same line to strike out:

In any reduction of personnel in any branch or service of the United States Government or the District of Columbia, married persons (living with husband or wife) employed in the class to

be reduced shall be dismissed before any other persons employed in such class are dismissed, if such husband or wife is also in the service of the United States or the District of Columbia. In.

And insert "Hereafter in," so as to read:

SEC. 212. Hereafter in the appointment of persons to the classified civil service, preference shall be given to persons other than married persons living with husband or wife, such husband or wife being in the service of the United States or the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 58, after line 21, to strike out:

TEMPORARY ASSIGNMENTS IN POSTAL SERVICE

SEC. 210. During the fiscal year ending June 30, 1933, the Postmaster General may, when the interest of the service requires, temporarily assign any clerk to the duties of carrier or any carrier to the duties of clerk, and in an emergency may assign any Post Office employee to the duties of a railway postal clerk, or any railway postal clerk to the duties of a Post Office employee without change of pay-roll status.

The amendment was agreed to.

The next amendment was, on page 59, after line 4, to insert:

ANNUAL LEAVE WITH PAY REDUCED TO 15 DAYS

SEC. 213. Hereafter no civilian officer or employee of the Government shall be granted leave of absence with pay in excess of 15 days, excluding Sundays and legal holidays: *Provided*, That nothing herein shall apply to civilian officers and employees of the Panama Canal located on the Isthmus and who are American citizens: *Provided further*, That nothing herein shall be construed as limiting the period during which pay may be allowed under existing laws for so-called sick leave of absence: *Provided further*, That the so-called sick leave of absence, within the limits now authorized by law, shall be administered under such regulations as the President may prescribe so as to obtain, so far as practicable, uniformity in the various executive departments and independent establishments of the Government.

Mr. JONES. Mr. President, on behalf of the committee, I desire to offer an amendment to the committee amendment, to come in after the word "days" in line 9, page 59.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Washington to the committee amendment.

The LEGISLATIVE CLERK. On page 59, line 9, after the word "days," it is proposed to insert a colon and the following proviso:

Provided, That the part unused in any year may be cumulative for any succeeding year.

Mr. JONES. I will say that that amendment is very inaptly drawn, but it will enable the idea involved to be considered in conference. The idea is that if in one year the 15 days are not used the remainder may accumulate for the next year, and so on.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington to the committee amendment. Without objection, the amendment to the amendment is agreed to.

Mr. NYE. Mr. President, I send to the desk an amendment which I offer to the committee amendment.

The PRESIDING OFFICER. The amendment to the amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. In the committee amendment, on page 59, line 7, after the word "Government," it is proposed to insert "who receives both annual and sick leave with pay."

Mr. NYE. Mr. President, I am sure there is no intention on the part of the committee nor can there be an intention on the part of the Senate to do anything other than to play fairly with all the Government employees, no matter what their station may be. It happens that in the Government Printing Office, in the navy yards, and in the arsenals, as I understand, are employees who receive no sick leave whatsoever. They, with their 30-day annual leave, are going to be, I think, much more severely dealt with by the committee amendment, without the acceptance of the amendment which I have offered, than are any other Government employees. The amendment I have proposed would eliminate the application of the committee amendment to those governmental employees who do not have the benefit of sick leave. I hope the amendment may be accepted.

Mr. JONES. Mr. President, I will say to the Senator, after listening to his explanation, from hearing the amendment read, I think we may very well let the amendment go to conference. There is certainly no intention to discriminate against any of the Government employees.

Mr. NYE. I am sure there is not.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from North Dakota to the committee amendment will be agreed to. The question now is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The next amendment of the Committee on Appropriations was, on page 59, after line 19, to insert:

FURLOUGH OF GOVERNMENT EMPLOYEES DURING FISCAL YEAR 1933

SEC. 214. In order to keep within the appropriations made for the fiscal year 1933, the heads of the various executive departments and independent establishments of the United States Government and the municipal government of the District of Columbia are hereby authorized and directed to furlough, without pay, such employees carried on their respective rolls, such time as in their judgment is necessary to carry out said purpose without discharging such employees, the higher salaried to be furloughed first whenever possible without injury to the service: *Provided*, That rules and regulations shall be promulgated by the President with a view to securing uniform action by the heads of the various executive departments and independent Government establishments in the application of the provisions of this section.

The amendment was agreed to.

The next amendment was, under "Title III—Miscellaneous provisions—Limitations on expenditures for printing and binding, paper, and stationery," on page 60, line 19, after the word "than," to strike out "\$10,000,000" and insert "\$8,000,000"; in line 20, before the word "for," to strike out "expended" and insert "obligated"; in line 22, after the designation "Government Printing Office," to strike out "of which \$2,500,000 shall be for printing and binding for the use of the legislative branch of the Government, and \$225,000 for Farmers' Bulletins" and insert "including printing and binding done elsewhere under contract by the Public Printer or obtained in the field under authority of the Joint Committee on Printing, for the exclusive use of a field service"; on page 61, line 3, to strike out "The amount available hereunder for the executive departments and independent establishments, the judiciary, and the government of the District of Columbia shall be distributed by the Director of the Bureau of the Budget among the several departments and establishments, the judiciary, and the government of the District of Columbia as, in his judgment, the needs of the service may require"; and in line 13, after the name "Patent Office," to insert a comma and "the legislative branch of the Government, and the manufacture of postal cards and money orders for the Post Office Department," so as to make the section read:

SEC. 302. During the fiscal year ending June 30, 1933, not more than \$8,000,000 shall be obligated for printing and binding for the use of the United States and the District of Columbia done at the Government Printing Office, including printing and binding done elsewhere under contract by the Public Printer or obtained in the field under authority of the Joint Committee on Printing, for the exclusive use of a field service. Nothing in this section shall be construed to authorize the discontinuance of any report or publication specifically required by law. This section shall not apply to printing and binding for the use of the Patent Office, the legislative branch of the Government, and the manufacture of postal cards and money orders for the Post Office Department.

The amendment was agreed to.

Mr. JONES. Mr. President, in the subhead, in line 17, page 60, the word "paper" should be stricken out, because it is taken out of the text.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 60, line 17, in the subhead, strike out the word "paper."

The amendment was agreed to.

The next amendment was, on page 61, after line 15, to strike out:

SEC. 303. During the fiscal year ending June 30, 1933, not more than \$400,000 shall be expended for paper furnished by the Government Printing Office for the use of the several executive departments and independent establishments and the government of the

District of Columbia. The amount available hereunder for the executive departments and independent establishments and the government of the District of Columbia shall be distributed by the Director of the Bureau of the Budget among the several executive departments and independent establishments, and the government of the District of Columbia, as, in his judgment, the needs of the service may require. This section shall not apply to expenditures for paper used in the course of manufacture by the Bureau of Engraving and Printing.

The amendment was agreed to.

The next amendment was, under the subhead "Reorganization of Shipping Board," on page 62, line 25, before the word "commissioners," to strike out "four" and insert "three"; on page 63, line 4, before the word "one," to insert "and"; and in line 5, after the name "Gulf of Mexico," to strike out "and one from the States touching the Great Lakes," so as to read:

SEC. 305. (a) The United States Shipping Board shall be composed of three commissioners to be hereafter appointed by the President, by and with the advice and consent of the Senate. One of such commissioners shall be appointed from the States touching the Pacific Ocean, one from the States touching the Atlantic Ocean, and one from the States touching the Gulf of Mexico, but not more than one shall be appointed from the same State. Not more than two of the commissioners shall be appointed from the same political party.

The amendment was agreed to.

The next amendment was, on page 63, line 13, before the word "one," to insert "and"; in line 14, after the words "three years," to strike out the comma and "and one at the end of four years"; in line 16, before the word "years," to strike out "four" and insert "three"; and in line 21, after the word "term," to insert "The commissioners appointed hereunder shall hold office until their successors are appointed and qualify," so as to read:

(b) Terms of office of the first commissioners appointed under this section shall expire, as designated by the President at the time of nomination, one at the end of one year, one at the end of two years, and one at the end of three years after the date of the enactment of this act. The term of office of a successor to any such commissioner shall expire three years from the date of the expiration of the term for which his predecessor was appointed, except that a commissioner appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term. The commissioners appointed hereunder shall hold office until their successors are appointed and qualify.

The amendment was agreed to.

The next amendment was, on page 64, line 4, after the word "as," to strike out "four of the" and insert "the three," so as to read:

(c) Notwithstanding the provisions of subsection (a) the United States Shipping Board as constituted upon the date of the enactment of this act shall continue to function until the date of reorganization of the commission pursuant to the provisions of such subsection. The board shall be deemed to be reorganized upon such date as the three commissioners appointed as provided in such subsection have taken office, and no such commissioner shall be paid salary, as such commissioner, for any period prior to such date.

The amendment was agreed to.

The next amendment was, on page 64, line 20, before the word "commissioners," to strike out "three" and insert "two," so as to read:

(e) Whenever under existing law the concurrence of four or more of the commissioners is required, such requirement of law shall, after the reorganization of the board provided by this section, be held to be complied with by the concurrence of two commissioners.

The amendment was agreed to.

The next amendment was, on page 64, after line 20, to strike out:

(f) After June 30, 1932, no officer or employee of the United States Shipping Board or the United States Shipping Board Merchant Fleet Corporation shall receive a salary at a rate in excess of \$10,000 per annum. The provisions of Title I of this act shall not apply to any person whose compensation is reduced by reason of this subsection.

The amendment was agreed to.

The next amendment was, on page 68, after line 12, to insert:

SEC. 312. In the annual report to Congress of each executive department or independent establishment there shall be included a

statement of receipts during the period covered by such report, from fees or charges paid to such department or establishment under this act and all other acts of Congress.

The amendment was agreed to.

The next amendment was, on page 68, line 19, after the word "sections," to strike out "310, 311, and 312" and insert "309, 310, and 311," so as to read:

SEC. 313. Sections 309, 310, and 311 shall take effect July 1, 1932.

The amendment was agreed to.

The next amendment was, on page 68, after line 20, to strike out:

TRANSFER OF FISH-CULTURAL STATIONS TO STATES OR TERRITORIES

SEC. 314. Upon the application of any State or Territory, the Secretary of Commerce is authorized and directed to transfer to such State or Territory, without cost, all right, title, and interest of the United States in any fish-cultural station or fish hatchery located in such State or Territory, together with all personal property used in connection therewith. If any such State or Territory shall cease at any time to use a station or hatchery so transferred, for fish-cultural purposes, or shall at any time permit its use for any other purposes, or shall attempt to alienate the station or hatchery, title thereto shall revert to the United States.

The amendment was agreed to.

The next amendment was, on page 69, after line 8, to strike out:

TRANSFER OF AGRICULTURAL EXPERIMENT STATIONS TO STATES OR TERRITORIES

SEC. 315. Upon the application of any State or Territory, the Secretary of Agriculture is authorized and directed to transfer to such State or Territory, without cost, all right, title, and interest of the United States in any agricultural experiment station located in such State or Territory, together with all personal property used in connection therewith.

The amendment was agreed to.

The next amendment was, at the top of page 70, to insert:

STATISTICS CONCERNING HIDES, SKINS, AND LEATHER

SEC. 315. The act authorizing and directing the Director of the Census to collect and publish statistics concerning hides, skins, and leather, approved June 5, 1920 (U. S. C., title 13, secs. 91, 92, and 93), is hereby repealed.

The amendment was agreed to.

The next amendment was, on page 70, after line 5, to insert:

TRANSFER OF APPROPRIATIONS

SEC. 316. Not to exceed 12 per cent of any appropriation for an executive department or independent establishment, including the municipal government of the District of Columbia, for the fiscal year ending June 30, 1933, may be transferred, with the approval of the Director of the Bureau of the Budget, to any other appropriation or appropriations under the same department or establishment, but no appropriation shall be increased more than 15 per cent by such transfers: *Provided*, That a statement of all transfers of appropriations made hereunder shall be included in the annual Budget for the fiscal year 1935, and a statement of all transfers of appropriations made hereunder up to the time of the submission of the annual Budget for the fiscal year 1934, and all contemplated transfers during the remainder of the fiscal year 1933, shall be included in the annual Budget for the fiscal year 1934.

The amendment was agreed to.

The next amendment was, on page 70, after line 22, to insert:

VOCATIONAL EDUCATION

SEC. 317. (a) Notwithstanding the provisions of section 1 of the act entitled "An act to provide for the further development of vocational education in the several States and Territories," approved February 5, 1929 (U. S. C., Supp. V, title 20, sec. 15a), not more than \$1,500,000 is authorized to be appropriated for the purposes of such section for the fiscal year ending June 30, 1933.

(b) For the fiscal year ending June 30, 1933, (1) the annual appropriations (for the purpose of cooperating with the States) provided for by sections 2, 3, and 4 of the act entitled "An act to provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure," approved February 23, 1917 (U. S. C., title 20, secs. 12-14, inclusive), shall be \$2,700,000 (in the case of section 2), \$2,700,000 (in the case of section 3), and \$900,000 (in the case of section 4); (2) the minimum allotment of funds to any State, under each of such sections, for the said fiscal year, shall be \$9,000; and (3) the additional appropriations (for the purpose of providing the minimum allotment to the States) provided for by such sections for the fiscal year 1933 shall be \$24,300 (in the case

of section 2), \$45,000 (in the case of section 3), and \$81,000 (in the case of section 4).

(c) In lieu of the annual appropriations provided for in section 7 of such act of February 23, 1917 (U. S. C., title 20, sec. 15), for the Federal Board for Vocational Education there is authorized to be appropriated for such board for the fiscal year ending June 30, 1933, not more than \$200,000 for the purposes set forth in such section.

(d) For the fiscal year ending June 30, 1933, the amount authorized to be appropriated under section 4 of the act entitled "An act to extend the provisions of certain laws of the Territory of Hawaii," approved March 10, 1924 (U. S. C., title 20, sec. 29), shall be \$27,000; and the amount authorized to be appropriated under section 1 of the act entitled "An act to extend the provisions of certain laws relating to vocational education and civilian rehabilitation to Porto Rico," approved March 3, 1931 (U. S. C., Supp. V, title 20, sec. 30), shall be \$94,500, and the amounts expended for each of the purposes set forth in such section shall be proportionately reduced.

The PRESIDING OFFICER. The Chair takes the liberty of requesting the clerk to read a telegram which the Chair has received concerning this amendment.

The legislative clerk read as follows:

MADISON, WIS., June 6, 1932.

HON. ROBERT M. LA FOLLETTE, JR.,

United States Senate, Washington:

Line 10, page 79, bill H. R. 11267, now before the Senate, gives President power to consolidate educational agencies of Government. This proposes a tremendous transfer of legislative power into executive control. It appears to be a continuation of the original attack to wipe out Federal aids for vocational education. Will you cooperate with Senator BLAINE to amend this bill so as to make an exception of the Federal Board for Vocational Education? The amendment herein suggested will insure a continuity of policies now fostered by the Federal Board for Vocational Education in behalf of the out-of-school group. The whole vocational school movement in America is vitally concerned in this matter.

GEO. P. HAMBRECHT,

Director Wisconsin State Board of Vocational Education.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 72, after line 18, to insert:

RATE OF INTEREST ON JUDGMENTS AND OVERPAYMENTS

SEC. 318. Hereafter the rate of interest to be allowed and paid shall be 4 per cent per annum whenever interest is allowed by law upon any judgment of whatsoever character against the United States and/or upon any overpayment in respect of any internal-revenue tax. All laws or parts of laws in so far as inconsistent herewith are hereby repealed.

The amendment was agreed to.

The next amendment was, at the top of page 73, to insert:

RESTRICTION ON CONSTRUCTION AND RENTAL OF BUILDINGS

SEC. 319. Authorizations heretofore granted by law for the construction of public buildings and public improvements, whether an appropriation therefor has or has not been made, are hereby amended to provide for a reduction of 10 per cent of the limit of cost as fixed in such authorization, as to projects where no contract for the construction has been made. As to such projects where a contract has been made at a cost less than that upon which the authorization was based, such cost shall not be increased by any changes or additions not essential for the completion of the project as originally planned.

The amendment was agreed to.

The next amendment was, on page 73, after line 13, to insert:

SEC. 320. Hereafter, except as otherwise specifically provided by law, the leasing of buildings and properties of the United States shall be for a money consideration only, and there shall not be included in the lease any provision for the alteration, repair, or improvement of such buildings or properties as a part of the consideration for the rental to be paid for the use and occupation of the same. The moneys derived from such rentals shall be deposited and covered into the Treasury as miscellaneous receipts.

Mr. BLAINE. Mr. President, it appears that we are now dealing with some very important projects. I therefore suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|----------|-----------|----------|----------|
| Ashurst | Bingham | Bulkeley | Carey |
| Austin | Blaine | Bulow | Cohen |
| Bankhead | Borah | Byrnes | Connally |
| Barbour | Bratton | Capper | Coolidge |
| Barkley | Brookhart | Caraway | Costigan |

| | | | |
|--------------|-------------|----------------|---------------|
| Couzens | Hawes | Metcalf | Smoot |
| Cutting | Hayden | Moses | Stelwer |
| Dale | Hebert | Neely | Thomas, Idaho |
| Davis | Howell | Norbeck | Thomas, Okla. |
| Dickinson | Hull | Norris | Townsend |
| Dill | Johnson | Nye | Trammell |
| Fletcher | Jones | Oddie | Tydings |
| Frazier | Kean | Patterson | Vandenberg |
| George | Kendrick | Pittman | Wagner |
| Glass | Keyes | Reed | Walcott |
| Glenn | King | Robinson, Ark. | Walsh, Mass. |
| Goldsborough | La Follette | Robinson, Ind. | Walsh, Mont. |
| Gore | Lewis | Schall | Watson |
| Hale | Logan | Sheppard | Wheeler |
| Harrison | McGill | Shipstead | White |
| Hastings | McKellar | Shortridge | |
| Hatfield | McNary | Smith | |

The PRESIDING OFFICER. Eighty-six Senators having answered to their names, there is a quorum present. The question is on agreeing to the amendment on page 73, line 14, to insert section 320.

The amendment was agreed to.

The next amendment was, on page 73, after line 22, to insert:

SEC. 321. Hereafter no appropriation shall be obligated or expended for the rent of any building or part of a building to be occupied for Government purposes at a rental in excess of the per annum rate of 15 per cent of the fair market value of the rented premises at date of the lease under which the premises are to be occupied by the Government, nor for alterations, improvements, and repairs of the rented premises in excess of 25 per cent of the amount of the rent for the first year of the rental term, or for the rental term if less than one year: *Provided*, That the provisions of this section shall not apply to leases heretofore made, except when renewals thereof are made hereafter.

Mr. BLAINE. Mr. President, I desire to offer an amendment, on page 74, line 1, to strike out the figures "15" and insert in lieu thereof the figures "10," so that the annual rental shall not be more than 10 per cent of the fair market value.

Mr. JONES. I make no objection to that amendment.

Mr. BLAINE. Mr. President, the Senator from Washington accepts the amendment, but for the sake of the RECORD I want to point out that during the investigation of the post-office leases we found that the rentals in the smaller cities of the country ran along about 8 per cent of the fair market value, and that oftentimes included certain incidentals, such as light and heat; but in the larger cities perhaps 10 per cent, including light and heat, would not be exorbitant, on account of the services which might have to be performed. However, 10 per cent is entirely high enough to take care of any of the rentals in any of the cities, in my opinion, as disclosed by the facts elicited during the investigation of the post-office leases.

Mr. BINGHAM. Mr. President, as a member of the committee, I hope the chairman will not agree to the amendment. Fifteen per cent has been recommended to the committee by the Comptroller General as a fair percentage, and I hope the chairman will not accept the amendment suggested by the Senator from Wisconsin.

Mr. JONES. Of course, Mr. President, if a member of the committee objects, we will just let it go to a vote of the Senate. I think 10 per cent is sufficient, judging from what we heard in the testimony taken as to some of the particular leases. I am perfectly willing to have it go to a vote.

Mr. BINGHAM. Does the Senator from Wisconsin desire to address himself to the amendment?

Mr. BLAINE. Not now.

Mr. BINGHAM. May I say that this rate was recommended to the committee by the Comptroller General?

Mr. JONES. That is true.

Mr. BINGHAM. The figures which appear were those recommended by the Comptroller General, and I think everyone will agree that the Comptroller General is, in the language of the street, pretty "hard boiled." I never have known him to err on the side of generous treatment, and I think he is entirely within his rights in following that course. He tries to protect the Treasury of the United States in carrying out the wishes of Congress.

In view of the fact that the Comptroller General himself suggested that limitation, in view of the fact that the persons renting these buildings have to pay taxes out of their

returns, and in many cases pay for the upkeep of the buildings, and so forth, it seems to me that the percentage suggested by the comptroller and voted by the committee is fair, and that the Government would not suffer therefrom.

I know that the Senator from Wisconsin is familiar with some cases where injustices have been done to the Government of the United States, and I shall be glad to cooperate with him in correcting any of those injustices, but I think that arbitrarily to cut this rate down to 10 per cent would be an injustice, cutting it 50 per cent lower than the figure suggested by the Comptroller General, and I hope the amendment will not be agreed to.

Mr. BLAINE. Mr. President, I do not believe the Senator from Connecticut was in the Chamber when I made the statement that the testimony before the Select Committee on Post-Office Leases disclosed that the Postmaster General regarded an 8 per cent return on the fair value of the property as a fair return in the case of the smaller leases; that is, leases on post-office buildings and Postal Service stations in cities where the leases were under \$6,000 a year. I have not the testimony before me, but I distinctly remember the testimony in some cases. The Post Office Department's policy in those cases was to restrict the returns not to exceed 8 per cent on the fair value of the property. As I said in my statement, in the larger cities, where the rental covers upkeep of the building, and perhaps the additional taxes, 10 per cent is a maximum which, in my opinion, is higher than ought to be allowed. But in order to give the public authorities sufficient leeway, I have suggested that the maximum be fixed at 10 per cent. I think that is plenty high enough; in fact, I think it is too high in the great majority of leases on Government property.

Mr. HALE. Mr. President, will the Senator yield?

Mr. BLAINE. I yield.

Mr. HALE. It seems to me that under ordinary circumstances the amendment of the Senator is entirely reasonable, but the Senator will note that on page 74 appear the words, "of the fair market value of the rented premises at date of the lease." I do not believe that the fair market value of real estate in Washington at the present time would be half its ordinary fair market value, and possibly not more than a third, and under such circumstances, if the per annum rate were cut down to 10 per cent, the property would certainly not yield a fair rental value.

Mr. BLAINE. Mr. President, in considering the bill that was before the Senate some time ago to regulate real-estate agents, it was the secretary of the real-estate board who informed me that real-estate values in Washington had not depreciated over 10 per cent. That information I obtained in the pursuit of my duties as a member of the Committee on the District of Columbia. It may not be possible to sell property in the city of Washington, that is one thing; but if one goes out to buy property he finds quite a different situation. He will find that the depreciation is not very much.

Mr. HALE. But, as the Senator said, if one goes out to sell, he finds that the depreciation is very great.

Mr. BLAINE. The fair market value is determined by the amount some one willing and able and ready to purchase would give for a piece of property.

Mr. HALE. That is just the point.

Mr. BLAINE. The mere fact that real estate is not moving in the market does not determine the fair market value, nor is it the basis upon which to determine the fair market value.

Moreover, Mr. President, the Senator will find that the assessor of the District of Columbia has been assessing real estate at about the same figure at which it has been assessed in the past, and he is required to assess it at the fair market value. The depreciation, as a matter of fact, is not very great. There is simply a lack of opportunity to sell, and it is not a question of depreciation in the fair market value.

Mr. HALE. How does the Senator think the fair market value on the date of a lease can be determined except by evidence of sales of similar property, and there are practically no sales of similar property?

Mr. BLAINE. Exactly, and when we do find a sale of similar property, we find that the depreciation is not over 10 per cent. If the fact were that there were no sales, then, according to the Senator's view, the property would have depreciated to zero, and would not be worth anything. That is not the case.

Mr. HALE. No; but I think it has depreciated very much more than the 10 per cent the Senator speaks of.

Mr. BLAINE. I have given my information, and I think the information comes from very reliable sources. Besides, a 10 per cent return on the fair market value of real estate is a very handsome return.

Mr. HALE. It is in ordinary circumstances.

Mr. BLAINE. It is in these times, especially.

Mr. HALE. I do not agree with the Senator.

Mr. BLAINE. It is a very handsome return. I hope the amendment to the amendment will be agreed to.

Mr. BINGHAM. Mr. President, the other day, in hearings on the District bill, we went into this matter at considerable length, and we learned from one of the officials of the District—my recollection is it was the District auditor, although it may have been another official—that there were three cases he brought to mind which had happened in the District within the last year, where the amount paid for property at a sale was 50 per cent less than the assessed value of the property.

One of the instances was the case of the Hamilton Hotel, which was assessed at more than a million dollars, and sold for less than \$500,000. Various other instances have been brought to our attention within the last few weeks, where property assessed at seventy, eighty, and ninety thousand dollars has been actually sold for thirty or forty thousand dollars. There is no question but that the fair market value of real estate in most cities in the country to-day is very much less than it was at the time the property was originally assessed, or than at the time the original leases were made.

Mr. BLAINE. Mr. President, I want to call to the attention of the Senator the fact that the sale of the Hamilton Hotel was not a sale in the market; it was a forced sale; and, of course, in the case of a forced sale no one expects, either in good times or bad times, to obtain a price commensurate with the value of the property, or at least that is the experience of those who have been engaged in making such sales. So that that particular instance does not point to the conviction that there is any great depreciation in real-estate values in Washington. I doubt whether there is a single percentage of depreciation in the intrinsic value of real estate in the city of Washington or in any other city, in the congested business districts, where the Government must rent buildings.

Take, for instance, the city of Chicago, about the Union Station, the most valuable portion of the city of Chicago, so far as real-estate values are concerned. I doubt whether one could purchase a single lot within the area around the Union Station for an amount less than the price he would have had to pay for it years ago. That type of property is maintained at the normal value, and it is with respect to such locations, where the Government leases its buildings, that I am speaking. The Government does not lease buildings in outlying territory. It leases buildings in locations where the public may be accommodated, and therefore in some area where business is not at a standstill.

Mr. BINGHAM. Mr. President, may I call the Senator's attention to the fact that the New Amsterdam Apartments were assessed at \$522,138 and were sold recently for \$200,000?

Mr. BLAINE. Mr. President, the Senator will find that in nearly all those cases there were forced sales, and therefore they do not afford very excellent proof of the contentions made.

Mr. BINGHAM. I can mention another case, where there was not a forced sale, but where the property was assessed for \$80,000 and recently has been sold for \$30,000.

The PRESIDING OFFICER (Mr. BRATTON in the chair). The question is on agreeing to the amendment offered by

the Senator from Wisconsin [Mr. BLAINE] to the committee amendment.

Mr. BLAINE. I ask for a division.

On a division, the amendment to the amendment was rejected.

Mr. MOSES. On page 74, in the same amendment, I wish to offer an amendment to add to the proviso. After line 9, strike out the period and insert a comma and these words:

Nor to leases of premises in foreign countries for the Foreign Service of the United States.

I have a memorandum from the Director of Foreign Service in the State Department with reference to this addition in which he points out the impracticability of such a restriction as this in foreign countries and furnishes a partial list of certain of the posts where we have diplomatic or consular offices where it is absolutely impossible to enforce a provision of this sort. I hope the chairman of the committee will accept it.

Mr. JONES. I shall not object to it.

Mr. MOSES. In this connection I shall ask to have the memorandum furnished me by the State Department printed in the RECORD at this point as a portion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The memorandum is as follows:

This undoubtedly is intended to apply only to the United States, but through oversight is so worded as to include rentals in foreign countries.

A restriction of this kind would be impracticable in the Foreign Service for many reasons, among which may be mentioned:

1. The acute shortage of either office or residence quarters which obtains generally in foreign countries and which has made it necessary in many instances to pay high rentals in order to obtain quarters even of approximate desirability and which have been obtained only after much search and bargaining.

2. Absence of appraisals in most instances and/or difficulties incident to obtaining reasonably accurate data relative thereto.

3. Legislation regarding rents in some foreign countries providing for maintenance of rentals and for automatic increases periodically in established contract rates. These are generally mandatory.

4. In many places construction of quarters either for office or residence is largely dependent on foreign firms who build only as their own specific needs require and in the rare case where space becomes available, persons desiring accommodations bid against each other for it. At times it has even been necessary to persuade some one to construct a building for our use.

Such a limitation would make it impossible in some important posts to obtain any quarters whatever for offices.

The following are quotations from a few of the many reports received from officers relating to the rental situation now obtaining and which are typical.

Tiran, Albania: "Conditions in Albania regarding housing present many difficulties . . . rents are still not sufficiently stable to indicate here with any accuracy what they should be. It is a question of bargaining, and, most important of all, to find something desirable. In general it may be said that rentals are high, even according to standards found in large cities."

Vienna, Austria: "Legislation is now pending in Parliament to increase rents which are still based on depreciated paper currency value, which, if passed, will materially alter the figures during the coming year."

Berlin, Germany: "The housing problem has been a most difficult one for those who had to consider prices. During and immediately after the war building was entirely suspended and construction was greatly limited, due to the financial condition of the country, and no relief in the housing problem may be expected for some years to come. There is not only a limited choice of selection but months may elapse before a vacancy occurs."

Lyon, France: "The operation of the French laws of April 1, 1926, and June 20, 1929, providing for progressive increases in rentals to compensate landlords for losses sustained by them as a result of the revalorization of the franc in 1926 will necessitate certain readjustments upward in the appropriation for rent . . . to cover these supplemental charges." At Lyon the legislation has had the following result in rental payable: June, 1925, 8,500 francs; June, 1928, 10,660 francs; July, 1929, 12,566 francs; June, 1931, 13,184 francs; and June, 1932, 13,802 francs.

Strassburg, France: "The new terms call for an increase of almost 100 per cent. At the time the present lease was made, December 12, 1923, rentals were cheaper than they are at present. The present consular premises are the best available in the city. There is no question but what the rental paid under our lease is far below the present values for similar premises, and, in fact, it would be extremely difficult, if not almost impossible, to obtain such satisfactory offices even for higher figures than the rental offer submitted."

Casablanca, Morocco: "The question of suitable and representative quarters at Casablanca presents an unusual problem."

* * * This is due to the fact that Casablanca is a relatively new city. It has grown since 1922 from a small Moroccan town of about 30,000 people to a city at the present time of somewhat less than 150,000 people, of which population Europeans number perhaps over 50,000. As a result of its rapid growth the demand for quarters has always run ahead of supply."

Warsaw, Poland: "The housing situation is by far the most difficult aspect of life in Warsaw. Houses built before the war are under the tenant's protection laws in force in Poland and the landlords can not evict tenants except for nonpayment of rent. Prices in new houses are high. Due to these rent laws the rent in old houses is low (the pre-war figure) and can not be increased at the landlord's will. Landlords, however, under these laws are not obligated to make any repairs whatever. Consequently the tenant occupant must make all repairs, even though usually considered for capital account and commonly higher than in Washington."

Cologne, Germany: "The present lease having been made at a time when rents were high and having contained a proviso requiring the consulate to meet, in the form of increased rental, additional taxation as assessed from time to time upon the property, calls for payment of about \$5,400 a year. Rent contracts generally require that the lessee bear increases as locally decreed."

Danzig: "There is a general housing shortage in the city. All buildings constructed before the war are regulated by the Government lodging office, which gives no courtesies."

Breslau, Germany: "Increases in rent are necessary to meet increases provided by law in keeping with changes in the tax law."

Tegucigalpa, Honduras: "The landlord of the legation is demanding a 66 per cent increase in rent, and while the premises are not worth that amount, he can undoubtedly obtain it from others, and there is no other building in the entire city available for the legation."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New Hampshire to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment of the Committee on Appropriations was, on page 74, after line 9, to insert:

TEMPORARY REDUCTION OF FEES OF JURORS AND WITNESSES

SEC. 322. During the fiscal year 1933—

(a) The per diem fee authorized to be paid to jurors under section 2 of the act of April 26, 1926 (44 Stat. 323), shall be \$3 instead of \$4.

(b) The per diem fee authorized to be paid to witnesses under section 3 of the act of April 26, 1926 (44 Stat. 323), shall be \$1.50 instead of \$2, and the proviso of said section 3, relative to per diem for expenses of subsistence, shall be suspended.

The amendment was agreed to.

The next amendment was, under the subhead "Disapproval of Executive order," on page 79, line 3, after the word "disapproval," to insert a colon and the following additional proviso:

Provided further, That in order to expedite the merging of certain activities, the President is authorized and requested to proceed, without the application of this section, with setting up consolidations of the following governmental activities: Public Health (except that the provisions hereof shall not apply to hospitals now under the jurisdiction of the Veterans' Administration), personnel administration, merchant marine, conservation, education, and Mexican Water and Boundary Commission, and to merge such activities of the War and Navy Departments relating to the purchase of supplies and matériel as will effect economies in Federal expenditures.

Mr. FLETCHER. Mr. President, I desire to offer an amendment to the amendment. On page 79, line 10, I move to strike out the words "merchant marine."

Mr. JONES. Mr. President, I think that is rather an important amendment. I wish the Senator would explain why he proposes to strike "merchant marine" out of the provision.

Mr. FLETCHER. In the first place, the merchant marine is not a bureau, it is not a governmental organization in the sense that it is a department or branch of a department. The merchant marine itself is a concern that is not organized under any provision of law establishing any bureau or department of government. The merchant marine does not mean anything except ships. If the Senator wants to give the President authority to reorganize the Shipping Board of the Emergency Fleet Corporation, that is another proposition. I suppose that is what is intended to be meant by "merchant marine," but really it is the Shipping Board of the Emergency Fleet Corporation.

The membership of the Shipping Board has been reduced, I understand, from seven to three. I do not think that ought to be done. We ought to have five members of the board—one from the Gulf, one from the Atlantic coast, one from the Great Lakes, one from the Pacific coast, and one from the interior. Its membership ought to represent the whole country, ought to be distributed throughout the country in reference to our shipping interests. I do not care to have seven members, but I think five ought to constitute the membership of the board, to represent the commercial interests of the whole country, the export and import trade, and especially our foreign trade.

I do not want to give the President power to seize the Shipping Board by the nape of the neck and kick them out or put them under the control of some other department. I think the Shipping Board organization ought to be under the control of Congress. I think the Emergency Fleet Corporation ought to be, as it is now, under the control of the Shipping Board. Nobody alludes to it as the merchant marine. That board ought to be constituted as it was by act of Congress, created by Congress, and established by Congress, under the control and management and direction of Congress. I do not think it ought to be transferred by the President or any other authority in order that it might be merged either with the Commerce Department or the Post Office Department or some other department of the Government.

We have to keep the Shipping Board organization, especially until we can dispose of the ships. We have six or seven lines of ships that are still owned by the Government and operated by the Fleet Corporation under the Shipping Board. It is vital to our interests, especially our foreign trade, that we should control and manage the shipping arrangements until at least we have under our flag privately owned ships adequate to take care of our overseas trade.

The Shipping Board ought not to be banded about here and there by some sort of influence that might be brought to bear to put it under some particular department or Secretary. I understand the plan has been suggested that it be turned over to the Commerce Department and let the Secretary of Commerce handle the whole thing. That would mean an Assistant Secretary employed by him and we would not save anything by that operation at all. I think it ought to be under the direction and supervision of the Congress.

Mr. JONES. Mr. President, I know the Senator's interest in the merchant marine. I know the study he has given to it. In view of what he has just stated, I am perfectly willing to strike out the words "merchant marine," because under the other provisions of the bill the President can recommend to Congress any organization he thinks advisable and then the whole matter will be considered by Congress. So far as I am concerned, I accept the amendment to the amendment.

Mr. McKELLAR. Mr. President, I am not going to disagree with the chairman of the committee if he thinks it wise to let the words "merchant marine" be stricken out. I dislike to disagree with my good friend the senior Senator from Florida, whom I love very dearly; but I do think that there is less use for the Shipping Board than any other board or activity in the entire Government. I think it has violated every duty that it ever owed to the Government. If the President were to take charge under the provisions of this bill and abolish the entire Shipping Board, it would be one of the best things that ever happened to the country.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Florida to the amendment of the committee.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee as amended.

Mr. NORBECK. Mr. President, among other powers conferred upon the President in the way of consolidation there is one relating to education. The question has been raised whether that would place the Board of Vocational Training under one of the Cabinet officers, whether it meant stand-

ardization and centralization of education to the point where a board composed partly of Cabinet officers might become a bureau under another Cabinet officer. I address myself to some member of the committee that drafted the measure to see what it really refers to. Can the Senator from New Mexico answer my question?

Mr. BRATTON. Mr. President, as a member of the committee—and I think I voice the views of the other members—I may say it was not intended to abolish vocational education. It was not intended to merge that service into any other department or bureau. Various bureaus and departments are engaged in educational activities, some more and some less. For instance, we have a Commissioner of Education, whose duties are confined to work of that character. Then the Bureau of Indian Affairs conducts educational activities. Other departments gather educational data and statistics. Educational activities in varying forms and degrees are conducted in many departments. The object the committee had in mind was to authorize a coordination of these various services, but it was not intended to abolish vocational education.

Mr. NORBECK. Nor to place that board under another department?

Mr. BRATTON. No; that was not intended.

Mr. NORBECK. I thank the Senator from New Mexico.

Mr. BLAINE. Mr. President, I desire to offer an amendment to the provision to carry out the suggestion made by the Senator from New Mexico and to make it certain. On page 79, line 10, after the word "education," strike out the comma and in parenthesis insert:

(Except that the provisions hereof shall not apply to the Federal Board for Vocational Education).

Mr. BRATTON. Mr. President, let me suggest a thought to the Senator. The Senator would have no objection to other educational services being brought under the Vocational Board?

Mr. BLAINE. No; I am just referring to the one board.

Mr. BRATTON. Let me suggest to the Senator that his proviso read "except that vocational education shall not be abolished." That would leave the President free to bring other services under the jurisdiction of the board, but he would not have the power to abolish the board.

Mr. NORBECK. Mr. President, would the Senator go farther and provide that it be not placed under another department?

Mr. BRATTON. As a member of the committee I am perfectly content with that. It was not our purpose to disturb vocational education nor to abolish it. We had other services in mind. So far as I am concerned I am willing to accept the amendment which will carry that thought into execution.

Mr. BLAINE. Mr. President, the amendment which I propose would permit other services or departments to be merged with the board, I assume. It may be I am mistaken. The language of my amendment reads:

(Except the provisions hereof shall not apply to the Federal Board for Vocational Education.)

The Senator proposes to say "except the provisions hereof shall not abolish the Federal Board for Vocational Education"?

Mr. BRATTON. Yes.

Mr. BLAINE. I should be satisfied with that provision.

Mr. BRATTON. That will safeguard what we all have in mind.

The VICE PRESIDENT. Does the Senator from Wisconsin offer what he has suggested as an amendment?

Mr. BLAINE. I offer that as an amendment to the committee amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Wisconsin to the committee amendment.

The amendment to the amendment was agreed to.

Mr. BLAINE. I desire to offer another amendment to the committee amendment, and I desire the attention of the committee to the amendment.

Mr. SHORTRIDGE. Mr. President, a parliamentary inquiry. Who has the floor?

The VICE PRESIDENT. The Senator from Wisconsin [Mr. BLAINE] has the floor.

Mr. BLAINE. At the end of line 14, page 79, I move to insert:

Except that this section shall not apply to the United States Employees' Compensation Commission.

The reason I make that suggestion is this—

Mr. McKELLAR. Mr. President, will the Senator from Wisconsin yield to me?

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Tennessee?

Mr. BLAINE. I yield.

Mr. McKELLAR. That language would apply to the whole section. I think it would be wiser if the Senator would make it apply to the proviso only.

Mr. BLAINE. When I explain my purpose I think the Senator from Tennessee will not have any objection to the amendment.

As the Senator from Tennessee knows, the United States Employees' Compensation Commission has to do with three different categories of employees: The longshoremen; Federal employees other than the longshoremen; and then, in 1928, as I recall, the United States Employees' Compensation Commission were given jurisdiction of private employees in the District of Columbia. We have set up a perfectly uniform system for the administration of the law respecting those three various types of employees. I think it would be a mistake to include this commission on that account. It has power respecting longshoremen, also respecting Federal employees generally, workmen, and, third, respecting employees in the District of Columbia who are privately employed. The District of Columbia pays for that portion of the expense; but the commission is designed to preserve a complete system for the administration of what is commonly known as the workmen's compensation act. I hope the Senator from Washington will have no objection to this suggestion, because I do not believe any good purpose would be served by placing this commission within the provisions of this section.

Mr. JONES. I do not think I will make any objection to that amendment. I did not hear the amendment, but I heard the explanation given by the Senator.

The VICE PRESIDENT. The amendment proposed by the Senator from Wisconsin to the committee amendment will be stated.

The CHIEF CLERK. At the end of line 14, page 79, it is proposed to insert:

Except that this section shall not apply to the United States Employees' Compensation Commission.

The VICE PRESIDENT. The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

Mr. MOSES. At the time of the unexpected rejection of my amendment dealing with the furlough system, I stated that I would, in the event, which I had anticipated, of my amendment being agreed to, move to strike out section 213, which is a committee amendment. That section, however, has been agreed to; and I now ask unanimous consent to recur to it, it being a committee amendment, in order that I may offer a slight amendment which I think the Senator in charge of the bill may readily accept.

Mr. JONES. Let me inquire if the pending amendment has been agreed to?

The VICE PRESIDENT. The pending committee amendment has not been disposed of.

Mr. MOSES. I thought it had been disposed of.

The VICE PRESIDENT. The question is on agreeing to the committee amendment, beginning on line 3, page 79, as amended.

Mr. NYE. Mr. President, the committee amendment in line 10, page 79, I move that the word "conservation" be stricken from the language of the amendment. There is so much controversy on the subject of how unity should

be accomplished in the matter of departmental conservation that I see no reason why Congress should not be left with the same opportunity to pass upon consolidations affecting that item as it is afforded in other cases. I hope that there will not be a pressing demand for the inclusion of that one activity in this clause.

Mr. JONES. I think the President may very well deal with the problem of conservation as it may develop in the different departments of the Government.

Mr. NYE. Let me ask the chairman of the committee, does this involve the national forests in any way?

Mr. JONES. Of course, conservation is a very broad term. The national forests really are under the control of Congress. The President can not undo the action Congress may take regarding them.

Mr. NYE. All these activities are under the control of Congress to the same degree.

Mr. JONES. I understand that, but we have expressly provided that no lands shall be added to the forest reserves except by act of Congress. The President could not interfere with that provision of law.

Mr. NYE. Mr. President, there is not anything to prevent the President from throwing the national forests into a conservation department that we might establish and combine with it many other items of conservation.

Mr. JONES. The Senator's position will illustrate the difficulty Congress will have in trying to do anything with reference to consolidating activities of this kind.

Mr. MOSES. Mr. President, if the Senator will permit, it can now be remedied by one amendment to the section adding the words, "Provided, That no activity in which any Senator is interested shall be affected by the provisions of this section."

Mr. JONES. Yes, I suppose that would take care of the proposition all right.

Mr. NYE. Mr. President, I hope the chairman of the committee will agree that the matter to which I have referred is of such a nature that Congress ought to have a chance to pass judgment upon it.

Mr. JONES. If the President should desire to make a recommendation to Congress with reference to conservation, he could do it, and then it would rest with the Congress whether or not it would allow the recommendation to be carried out. I will accept the amendment of the Senator.

Mr. NYE. I thank the Senator.

The VICE PRESIDENT. Without objection, the amendment offered by the Senator from North Dakota to the committee amendment is agreed to; and without objection, the committee amendment as amended is agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 4401. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr.;

S. 4581. An act to extend the times for commencing and completing the construction of a bridge across the St. Clair River at or near Port Huron, Mich.;

S. 4635. An act authorizing the Commonwealth of Kentucky, by and through the State Highway Commission of Kentucky, or the successors of said commission, to construct, maintain, and operate a toll bridge across the Ohio River at or near Owensboro, and permitting the Commonwealth of Kentucky to act jointly with the State of Indiana in the construction, maintenance, and operation of said bridge; and

S. 4636. An act authorizing the Commonwealth of Kentucky, by and through the State Highway Commission of Kentucky, or the successors of said commission, to construct, maintain, and operate a toll bridge across the Ohio River at or near Cairo, Ill., and permitting the Commonwealth of Kentucky to act jointly with the State of Illinois in the construction, maintenance, and operation of said bridge.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6710. An act to repeal certain laws providing that certain aliens who have filed declarations of intention to become citizens of the United States shall be considered citizens for the purposes of service and protection on American vessels;

H. R. 7123. An act to amend the act of March 2, 1917 (39 Stat. 983; U. S. C., title 25, sec. 242);

H. R. 9369. An act to set aside certain lands around the abandoned Bowdoin well, Montana, for recreational purposes under a lease to Phillips County Post, No. 57, of the American Legion, Department of Montana;

H. R. 10048. An act granting to the Metropolitan Water District of Southern California certain public and reserved lands of the United States in the counties of Los Angeles, Riverside, and San Bernardino, in the State of California;

H. R. 10243. An act granting the consent of Congress to any two or more States to enter into agreements or compacts for cooperative effort and mutual assistance in the prevention of crime, and for other purposes;

H. R. 10598. An act to provide for the transportation of certain juvenile offenders to States under the law of which they have committed offenses or are delinquent, and for other purposes;

H. R. 10825. An act to authorize the transfer of certain lands in Fayette County, Ky., to the Commonwealth of Kentucky;

H. R. 11020. An act authorizing the Louisiana Highway Commission to construct, maintain, and operate a free highway bridge across the Pearl River at or near Pearlinton, Miss.;

H. R. 11081. An act to extend the times for commencing and completing the construction of a free highway bridge across the Sabine River where Louisiana Highway No. 21 meets Texas Highway No. 45;

H. R. 11084. An act to amend section 35 of the Criminal Code of the United States;

H. R. 11085. An act to extend the times for commencing and completing the construction of a bridge across the Sabine River where Louisiana Highway No. 6 meets Texas Highway No. 21;

H. R. 11120. An act to amend an act (ch. 300) entitled "An act authorizing the Coos (Kowes) Bay, Lower Umpqua (Kalawatset), and Siuslaw Tribes of Indians of the State of Oregon to present their claims to the Court of Claims," approved February 23, 1929 (45 Stat. 1256);

H. R. 11153. An act to extend the times for commencing and completing the construction of a bridge across the Sabine River where Louisiana Highway No. 7 meets Texas Highway No. 87;

H. R. 11944. An act to facilitate execution of and economy in field-season contracts of the Forest Service;

H. R. 12044. An act to provide for the exclusion and expulsion of alien communists;

H. R. 12045. An act authorizing a per capita payment of \$50 to the members of the Menominee Tribe of Indians of Wisconsin from funds on deposit to their credit in the Treasury of the United States; and

H. R. 12448. An act to amend the laws providing retired pay for certain officers and former officers of the Army, Navy, and Marine Corps of the United States.

The message further announced that the House had concurred in the concurrent resolution (S. Con. Res. 30) authorizing the printing of additional copies of Public Law No. 154, known as the revenue act of 1932.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 432. An act granting permission to Harold I. June to transfer to the Fleet Reserve of the United States Navy;

S. 4401. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr.;

S. 4581. An act to extend the times for commencing and completing the construction of a bridge across the St. Clair River at or near Port Huron, Mich.;

S. 4635. An act authorizing the Commonwealth of Kentucky, by and through the State Highway Commission of Kentucky, or the successors of said commission, to construct, maintain, and operate a toll bridge across the Ohio River at or near Owensboro, and permitting the Commonwealth of Kentucky to act jointly with the State of Indiana in the construction, maintenance, and operation of said bridge; and

S. 4636. An act authorizing the Commonwealth of Kentucky, by and through the State Highway Commission of Kentucky, or the successors of said commission, to construct, maintain, and operate a toll bridge across the Ohio River at or near Cairo, Ill., and permitting the Commonwealth of Kentucky to act jointly with the State of Illinois in the construction, maintenance, and operation of said bridge.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred or placed on the calendar as indicated below:

H. R. 6710. An act to repeal certain laws providing that certain aliens who have filed declarations of intention to become citizens of the United States shall be considered citizens for the purposes of service and protection on American vessels; and

H. R. 12044. An act to provide for the exclusion and expulsion of alien communists; to the Committee on Immigration.

H. R. 7123. An act to amend the act of March 2, 1917, (39 Stat. 983; U. S. C., title 25, sec. 242); and

H. R. 11120. An act to amend an act (ch. 300) entitled "An act authorizing the Coos (Kowes) Bay, Lower Umpqua (Kalawatset), and Siuslaw Tribes of Indians of the State of Oregon to present their claims to the Court of Claims," approved February 23, 1929 (45 Stat. 1256); to the Committee on Indian Affairs.

H. R. 9369. An act to set aside certain lands around the abandoned Bowdoin well, Montana, for recreational purposes under a lease to Phillips County Post, No. 57, of the American Legion, Department of Montana; and

H. R. 10048. An act granting to the metropolitan water district of southern California certain public and reserved lands of the United States in the counties of Los Angeles, Riverside, and San Bernardino, in the State of California; to the Committee on Public Lands and Surveys.

H. R. 10243. An act granting the consent of Congress to any two or more States to enter into agreements or compacts for cooperative effort and mutual assistance in the prevention of crime, and for other purposes; and

H. R. 11084. An act to amend section 35 of the Criminal Code of the United States; to the Committee on the Judiciary.

H. R. 10825. An act to authorize the transfer of certain lands in Fayette County, Ky., to the Commonwealth of Kentucky; to the Committee on Finance.

H. R. 11153. An act to extend the times for commencing and completing the construction of a bridge across the Sabine River where Louisiana Highway No. 7 meets Texas Highway No. 87; to the Committee on Commerce.

H. R. 11944. An act to facilitate execution of and economy in field season contracts of the Forest Service; to the Committee on Agriculture and Forestry.

H. R. 12448. An act to amend the laws providing retired pay for certain officers and former officers of the Army, Navy, and Marine Corps of the United States; to the Committee on Military Affairs.

H. R. 10598. An act to provide for the transportation of certain juvenile offenders to States under the law of which they have committed offenses or are delinquent, and for other purposes;

H. R. 11020. An act authorizing the Louisiana Highway Commission to construct, maintain, and operate a free highway bridge across the Pearl River at or near Pearlinton, Miss.;

H. R. 11081. An act to extend the times for commencing and completing the construction of a free highway bridge across the Sabine River where Louisiana Highway No. 21 meets Texas Highway No. 45;

H. R. 11085. An act to extend the times for commencing and completing the construction of a bridge across the Sabine River where Louisiana Highway No. 6 meets Texas Highway No. 21; and

H. R. 12045. An act authorizing a per capita payment of \$50 to the members of the Menominee Tribe of Indians of Wisconsin from funds on deposit to their credit in the Treasury of the United States; to the calendar.

LEGISLATIVE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 11267) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes.

Mr. MOSES. Mr. President, I again ask unanimous consent to recur to the committee amendment on page 59, which I had no opportunity to consider early in the day, and I wish to offer an amendment to it.

Mr. JONES. On what page?

Mr. MOSES. On page 59, line 10.

The VICE PRESIDENT. Is there objection to returning to the amendment? The Chair hears none.

Mr. MOSES. I wish to offer an amendment in line 11, page 59, following the word "citizens," to insert the words "or to officers of the Foreign Services of the United States."

I have from the State Department a memorandum on that subject. It is very brief and I shall read it:

The bill as reported will prevent an officer or employee of the Foreign Service from having more than 15 days' leave annually with salary in the United States or elsewhere.

Many of these officers are stationed in tropical and unhealthy places like India, Africa, Central America, and certain parts of the Far East. In order to safeguard their health they must get some relief each year. Leave of only 15 days will not make this possible. They can not get sufficient change in that time, when the time consumed by travel is included, to have an opportunity to recuperate from climatic effects which will endanger their health and discriminate against them in favor of Panama Canal employees, who are exempted by the bill from this provision.

Owing to the distance from the United States of the posts at which most of the officers of the Foreign Service are stationed and the cost of travel the bill practically precludes officers of that service from coming to the United States on leave because obviously an officer can not afford to pay the large cost of travel to the United States which he has to save for 2 or more years when the limit of his stay is to be only 15 days with pay. There is no objection to limiting local leave to 15 days in European, Canadian, and other healthful parts of the world if this is what Congress desires and the departments concerned can bring that about by administrative action.

But it will work a tremendous hardship upon officers in tropical posts, and those who desire to spend their holidays in the United States, if they are restricted to a total of 15 days per annum.

Mr. JONES. I will say to the Senator that I think that is a very reasonable request, and I will ask for reconsideration of the vote by which the committee amendment was agreed to in order that the Senator may offer his amendment to the amendment.

Mr. MOSES. Unanimous consent has been granted to recur to the amendment.

Mr. JONES. I understand that, but it is necessary to reconsider the vote by which the committee amendment was adopted.

The VICE PRESIDENT. Without objection, the vote whereby the committee amendment was agreed to will be reconsidered; without objection, the amendment of the Senator from New Hampshire to the amendment will be agreed to; and without objection, the amendment as amended is agreed to.

Mr. REED. Mr. President, I was called from the floor when section 316, on page 70, was under consideration. That is the section that allows the transfer of appropriations within departments so that 12 per cent of an appropriation may be taken from one item and added to another, if necessary, with the approval of the Director of the Budget.

In the Army appropriation bill, which was reported this morning, occurs a provision similar to the one referred to in the pending bill, but, for what seemed to the committee to be good reasons, the approval which is made a prerequisite is the approval of the President himself. I ask unanimous consent that we may reconsider the vote by which the

section was agreed to so that I may offer an amendment, on line 12, after the word "Budget," to insert in parentheses the words "(or in case of the War Department and Navy Department with the approval of the President)."

We want to put the responsibility squarely upon the Chief Executive. The amendment does not affect the meaning of the paragraph.

Mr. McKELLAR. Mr. President, does the limitation as to the sum which may be transferred remain the same, namely, 12 per cent? I want to say that I differed with the Senator, as he will recall, a while ago in the committee in considering the military appropriation bill about increasing the limit of such transfers to 15 per cent. We have already adopted in the Interior Department bill, and in the bill making appropriations for the Commerce Department, the Labor Department, the State Department, and the Justice Department, a provision for the interchange of appropriations up to the limit of 12 per cent. One of those bills has become a law. We ought not to establish a different rule for the Army and Navy in case of the transfer of appropriations than that which we have for the other departments. I have no objection to the Senator's amendment, if he will leave the limitation of 12 per cent.

Mr. REED. I am not proposing in this paragraph to change the 12 per cent limitation which is already provided. What the Senate will do when we come to the Army appropriation bill is, of course, another question.

Mr. McKELLAR. I think there is no objection to the other language if the limitation is not changed.

Mr. JONES. Mr. President, I think the amendment is all right.

The VICE PRESIDENT. Is there objection to reconsidering the vote by which the committee amendment was agreed to? The Chair hears none, and the vote is reconsidered.

The question now is on the amendment offered by the Senator from Pennsylvania to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment of the Committee on Appropriations was, on page 79, after line 19, to strike out:

TITLE V. PUBLIC WORKS ADMINISTRATION CREATION AND ORGANIZATION

SEC. 501. There is hereby created at the seat of Government an establishment to be known as the public works administration. There shall be at the head of such administration an officer to be known as the administrator of public works, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall hold his office for the term of six years. Such administrator shall receive a salary of \$10,000 per year, payable monthly, and under the direction of the President shall have the control and management of the various bureaus, agencies, activities, and services that the President may under this title transfer to and consolidate in the public works administration.

The amendment was agreed to.

The next amendment was, on page 80, after line 9, to strike out:

CONSOLIDATION OF PUBLIC WORKS BY PRESIDENT

SEC. 502. (a) The President is authorized, by Executive order, to transfer to the public works administration, and to consolidate and coordinate therein, the whole or any part of all bureaus, agencies, offices, activities, and services, whether now existing in any executive department, independent establishment, or as an independent activity, having to do or that are concerned with the architectural, engineering, surveying, designing, drafting, construction, and/or purchasing activities of the Government relating to public works, and/or that are engaged in the making of plans, specifications, contracts, and/or the supervision of public construction, and the transfer of any activity to the public works administration shall carry with it such property, fixtures, records, and files as may be necessary to the proper functioning of such activity under the administrator, but no provision of this title shall be construed to authorize any transfer, consolidation, coordination, or change in the duties and responsibilities of the Chief of Engineers, or of the Corps of Engineers, or of the officers of the Corps of Engineers of the United States Army, with respect to rivers and harbors, navigation, flood control, and other civil functions and activities, all of which shall remain as now provided for by existing law.

(b) The administrator of public works shall utilize the services of the officers of the Corps of Engineers of the United States Army whenever and wherever practicable in all other public works,

construction, and activities. The Secretary of War, upon the request of the administrator of public works, may continue as under existing law to detail officers of the Corps of Engineers of the United States Army for duty in such other public works, construction, and activities, to the end that the officers of the Corps of Engineers of the United States Army may be used whenever practicable in such other public works, construction, and activities, and when so detailed with the consent of the Secretary of War and the Chief of Engineers, shall be under the supervision and direction of the administrator of public works.

(c) The Bureau of Yards and Docks of the Navy Department shall remain as now provided by existing law, and no provision of this title shall be construed to authorize any transfer, consolidation, coordination, or change in the duties and responsibilities of the said bureau and the chief thereof, or the officers and engineers therein. The Secretary of the Navy, upon the request of the administrator of public works, may detail officers and engineers of such bureau for other duties in such public works, constructions, and activities; and the administrator of public works shall utilize the services of such officers and engineers whenever practicable; and when so detailed with the consent of the Secretary of the Navy, the said officers and engineers shall be under the supervision and direction of the administrator of public works.

(d) All officers of the United States Army and/or Navy detailed as aforesaid to serve in the Public Works Administration shall retain their military and naval rank and succession and receive the compensation, commutation, and emoluments provided by law in the case of Army and/or naval officers of the same rank not detached from the regular service; and such payments shall be made out of funds appropriated for use of the Public Works Administration.

(e) All strictly military, naval, and national-defense construction, improvement, maintenance, and administration shall be and remain in the Army and Navy under the Secretary of War and under the Secretary of the Navy, as now provided by existing law.

(f) The provisions contained in this title shall not apply to the power and authority now vested in the Architect of the Capitol and the United States Supreme Court Building Commission.

(g) All authority, power, and duties now vested by law in the head of any executive department, independent establishment, or office in and over any bureau, agency, office, officers, or branch of the public service, or in respect of any function or service transferred to the Public Works Administration under this title, or in or over any contract or business arising therefrom or pertaining thereto, shall be vested in and exercised and performed by the administrator.

(h) All valid contracts and agreements entered into by any bureau, agency, office, officer, or branch of the public service, and in force at the time of transfer to the Public Works Administration, shall be assumed and carried out by the administrator.

(i) Under the direction of the President, the Administrator of Public Works shall have the power, by order or regulation, to consolidate, eliminate, or redistribute the functions of the bureaus, offices, agencies, activities, and services transferred, under the provisions of this title, to the Public Works Administration and to create new ones therein, and, by rules and regulations not inconsistent with law, shall fix the functions thereof and the duties and powers of their respective executive heads.

(j) No consolidation, elimination, redistribution, or coordination of the bureaus, offices, agencies, activities, or parts or functions thereof, as provided by this title shall be effected and no new ones shall be created under the authority of this title unless such action shall either in itself or in relation to the entire Public Works Administration be clearly productive of economy in public expenditures.

(k) Whenever any Executive order of the President or any order or regulation of the administrator is issued under this section, the President shall thereupon transmit to the Senate and House of Representatives a copy of such order or regulation, except that if the Congress is not in session at the time of such issuance, then the copy of the order or regulation shall be transmitted at the commencement of the next regular or special session of the Congress. Unless an act disapproving the order or regulation issued is enacted within 60 calendar days after the receipt of the copy of the order or regulation by both Houses, the order or regulation issued shall take effect on the day following the expiration of such 60-day period. If the session during which the copy of the order or regulation is received terminates in less than 60 days after the receipt of the copy by both Houses, an act disapproving the order or regulation may be enacted at any time within 60 calendar days after the commencement of the next regular or special session of Congress; but if such an act is not enacted, such order or regulation shall take effect on the day following the expiration of such 60-day period.

The amendment was agreed to.

The next amendment was, on page 85, after line 7, to strike out:

APPOINTMENT OF EMPLOYEES

SEC. 503. (a) The Administrator of Public Works may appoint, in accordance with the provisions of the civil service laws, from time to time such assistants, architects, engineers, and experts in design and drafting as may be necessary to carry out the purposes of this title.

(b) The personnel on duty at the time of the transfer of any bureau, agency, office, activity, or service shall be transferred to and given appointment in the Public Works Administration, sub-

ject to such change in designation and organization and reduction in personnel, salary, classification, or otherwise as the administrator may deem necessary.

(c) Such of the employees as have a civil-service status at the time of transfer shall retain that status. The salaries of such employees shall be fixed in accordance with the classification act of 1923, as amended (U. S. C., title 5, ch. 13; U. S. C., Sup. V, title 5, ch. 13).

The amendment was agreed to.

The next amendment was, at the top of page 86, to strike out:

EXISTING LAW AND REGULATIONS UNCHANGED

Sec. 504. (a) All laws relating to such bureaus, agencies, offices, activities, and services as are transferred to the Public Works Administration, so far as the same are applicable, shall remain in full force and effect, except as herein modified, and shall be administered by the administrator.

(b) All orders, rules, and regulations in effect with respect to any activity at the time it is transferred shall continue in force until modified, superseded, or repealed by the administrator.

(c) All unexpended appropriations in respect of any bureau, agency, office, activity, or service transferred to the Public Works Administration shall be as available for expenditure by the Public Works Administration as though said administration had been originally named in the law authorizing such appropriations.

The amendment was agreed to.

The next amendment was, on page 86, after line 16, to strike out:

SERVICES FOR OTHER DEPARTMENTS

Sec. 505. (a) Whenever any executive department, independent establishment, or other agency or activity of the Government shall be in need of any service or matter coming within the purview of the functions of the Public Works Administration, such department, establishment, agency, or activity shall make appropriate request in writing to the Administrator of Public Works, who shall forthwith place his administration at the service of the department, establishment, agency, or activity making the request.

(b) All estimates for public work and construction coming within the purview of the Public Works Administration at the time such estimates are made shall be made by the administrator and all appropriations for public work and construction shall be made directly to the administration: *Provided*, That said administrator shall make a book charge against the executive department, independent establishment, or agency of the Government covering the cost of any services, public work, or construction performed for such department, establishment, or agency. The amount thereof shall be reported promptly to the department, establishment, or agency for whom services, public work, or construction has been done, and such department, establishment, or agency shall enter the cost of such services, public work, or construction upon its books and the amount of such cost shall be treated as a part of its expenditures in making its annual report to the President and/or the Congress.

The amendment was agreed to.

The next amendment was, on page 87, after line 20, to strike out:

MISCELLANEOUS

Sec. 506. (a) Quarters for the Public Works Administration shall be provided by the Public Buildings Commission.

(b) It shall be the duty of the administrator to standardize designs, plans, and specifications, so far as practicable and desirable, with a view to effecting the utmost economy consistent with suitable construction.

(c) The administrator, at the close of each fiscal year, shall make a report in writing to the Congress, which shall be printed. Such report (1) shall give an account of all moneys received and disbursed by him and the administration, and shall state for what purpose and on whose account expenditures have been made; (2) shall describe in detail what has been done under section 502 of this title, and shall insert a chart showing the set-up of his administration; and (3) shall make such recommendations with respect to legislation and other matters as to him shall seem appropriate.

(d) The Administrator of Public Works is authorized to make such rules and regulations, in accordance with law, as may be necessary and proper for the purpose of carrying the provisions of this title into full force and effect.

The amendment was agreed to.

Mr. HAYDEN. I ask unanimous consent to have printed in the RECORD, immediately following the adoption of Title V of the bill, a memorandum for the information of the conferees when they take that title to conference.

The VICE PRESIDENT. Without objection, that will be done.

The matter referred to is as follows:

AMENDMENT TO SECTION 504 (B) TITLE "PUBLIC WORKS ADMINISTRATION" OF H. R. 11267

The present language is as follows: "(b) All orders, rules, and regulations in effect with respect to any activity at the time it is

transferred shall continue in force until modified, superseded, or repealed by the administration."

By this provision the power to change or nullify rests in the administration, regardless of whether the orders, rules, and regulations in effect at the time the activity concerned was transferred affected only the transferred agency or also agencies not transferred to the public works administration.

As an example of probably a considerable number of cases: Because of the national forests and in order that these may be protected, administered, and utilized, Congress has passed legislation for forest road and trail work. Under that regulation, the Secretary of Agriculture has approved regulations, etc., for carrying out the legislation. The Forest Service and the Bureau of Public Roads participate in certain administrative features of the forest highway fund. The appropriation itself is set up to the credit of the Forest Service but after programs have been agreed to by the two bureaus, and approved by the Secretary, the regulations provide that the Bureau of Public Roads shall do the necessary engineering work and supervise the construction and maintenance of projects requiring technical training and experience in difficult road work. It is also similarly employed on the difficult and costly roads constructed from the forest development fund. The Forest Service, using its own organization, handles the simple, inexpensive work. The Bureau of Public Roads will probably be transferred to the public works administration. It is of great importance that the relationship of the Forest Service to these two funds be not lessened in amount or value. This could result from the present provisions of section 504 (b).

As a necessary and proper corrective measure, the following should be added at the end of the section: "Or if such order, rule, or regulation involves some other Government agency, by joint agreement with the head of such agency."

AMENDMENT TO SECTION 505, TITLE "PUBLIC WORKS ADMINISTRATION" IN H. R. 11267

The purpose of the legislation may be stated as (1) to reduce the cost and increase the effectiveness of handling engineering work, (2) to group those Federal agencies whose primary purpose is engineering, architecture, or construction, (3) to provide service when the work of other Federal agencies involves difficult or costly work of the character that the technicians and specialists in the public works administration can best supply.

Section 505 departs from this in a very decided way and such departure was probably entirely unintentional. The effect is contrary to what has been advocated by Secretaries Wilbur and Hyde, and, so far as is known, has not been advocated by the President.

The meaning of "within the purview of the functions of the public works administration" may be misunderstood by some unacquainted with the purpose of the legislation. Clearly it is not the intention to include all the work listed in section 502 (a) regardless of difficulty or cost, since many bureaus have simple and inexpensive engineering and construction work to do as a part of their primary functions and to discharge their responsibilities to Congress. Utilizing the services of the public works administration would increase rather than decrease the cost. Yet the present language permits of this interpretation and to mandate the executive agency to expend money unnecessarily and wastefully. The language does not make clear that the services of the public works administration are available and should be utilized when the Federal agency has difficult and expensive work to do, and of the character that such administration can most economically handle.

Engineering is a service to an end and not an end itself. Many Federal agencies require engineering service for the accomplishment of some major objective or responsibility of the bureau. This may be very minor in scope, cost, amount, or difficulty; such work can nearly always be most effectively and economically handled by the agency itself. It may be difficult, costly, and require the services of technicians of high skill in their professions, and such men, according to the proposed organization, will be located in the public works administration. But whether the work be done directly by the Federal agency or through utilizing the services of the administration, the appropriation for the work should be made to the Federal agency and such agency should control the use made of the appropriation, including such matters as selection of projects, priorities, location of work, and expenditures. By the present language of section 505 (b) the public works administration, with no responsibility for the main purpose or objective for which the engineering service is needed, is given the appropriation and the entire control thereof. The administration would also determine the size of the appropriation and the other agency would have no power to determine whether from the standpoint of the job for which it is responsible the amount was too small or too large. The agency served must include as a part of its costs of administration expenditures made without its approval or desire.

To carry out the intent of the provisions for the public works administration rendering service to other agencies and to make the provisions sound, productive of economy and efficiency, and entirely consistent with accepted principles of business and financial management, the section 505 should be changed to read as follows:

Sec. 505. Hereafter the public works administration is authorized, upon the request of any branch of the Federal Government or at the direction of the President, to perform any engineering service in connection with the survey, construction, or improvement of roads and all other public works, payment of the salaries and expenses of employees so engaged, and of the cost of trans-

portation, repairs, and replacements of equipment and supplies of the public works administration used in such work to be made by transfer of funds in the manner provided by section 7 of the act approved May 21, 1920 (Forty-first Statutes, page 613), as herein amended.

This language is closely patterned on the legislation under which the Bureau of Public Roads renders engineering service on park roads as desired by the National Park Service. The arrangement is reported as decidedly satisfactory. No tendency has developed for the Park Service to do work which under the pending legislation the public works administration is intended to do. No fears are felt that any Federal agency will fail to fully utilize the services of such administration. Should it so fail, immediate correction is possible through use of authority given to the President by section 502 (a).

The next amendment was, on page 89, line 17, after the word "sections," to strike out "601 to 604" and insert "501 to 504," so as to read:

Sec. 502. (a) The Secretary of Commerce is authorized and directed to transfer to the Bureau of Navigation and Steamboat Inspection the records and property, including office equipment, of the Bureau of Navigation and the Steamboat Inspection Service.

(b) The Secretary of Commerce is authorized and directed to transfer to such bureau such officers and employees of the Bureau of Navigation and the Steamboat Inspection Service as in his judgment are indispensable to the efficient operation of such bureau. Such transfer of officers and employees shall be without changes in classification or compensation, but the Secretary may make such changes in the titles, designations, and duties of the officers and employees transferred as he may deem necessary to carry out the purposes of sections 501 to 504, inclusive, of this title. The Secretary is authorized to dismiss such officers and employees of the Steamboat Inspection Service and the Bureau of Navigation as are not, in his judgment, indispensable to the efficient operation of the Bureau of Navigation and Steamboat Inspection.

The amendment was agreed to.

The next amendment was, on page 89, line 24, after the word "than," to strike out "July 1" and insert "October 1," so as to read:

(c) The consolidation and coordination herein provided for shall be effected not later than October 1, 1932, and when the Secretary of Commerce declares such consolidation and coordination has been effected, the duties, powers, and functions vested in the Steamboat Inspection Service and the Bureau of Navigation shall be exercised by the Bureau of Navigation and Steamboat Inspection, and the Steamboat Inspection Service and the Bureau of Navigation shall cease to exist.

The amendment was agreed to.

The next amendment was, under the subhead "Transfer of Personnel Classification Board to Civil Service Commission," on page 91, line 6, after the word "Sec.," to strike out "605" and insert "505," and in the same line to strike out "The President is authorized, by Executive order, to transfer the duties, powers, and functions of the Personnel Classification Board to the Civil Service Commission, and upon the issuance of such order" and insert "The duties, powers, and functions of the Personnel Classification Board are hereby transferred to the Civil Service Commission," so as to read:

Sec. 505. The duties, powers, and functions of the Personnel Classification Board are hereby transferred to the Civil Service Commission—

The amendment was agreed to.

The next amendment was, on page 91, line 13, before the word "abolished," to strike out "shall be" and insert "are hereby," so as to read:

(a) The Personnel Classification Board and the position of director of classification are hereby abolished.

The amendment was agreed to.

The next amendment was, on page 91, line 15, before the word "transferred," to strike out "shall be" and insert "are hereby," so as to read:

(b) All records and property, including office furniture and equipment, of the board are hereby transferred to the Civil Service Commission; and

The amendment was agreed to.

The next amendment was, on page 91, line 18, after the word "the," where it occurs the second time, to strike out "President" and insert "Civil Service Commission"; in line 20, after the word "the," to strike out "Civil Service"; and in the same line, after the word "commission," to strike out "shall be" and insert "are hereby," so as to read:

(c) Such of the officers and employees of the board, as in the judgment of the Civil Service Commission, are indispensable to the efficient operation of the commission, are hereby transferred to such commission, and all other officers and employees of such board shall be dismissed.

The amendment was agreed to.

The next amendment was, on page 91, line 23, after the word "sec.," to strike out "606" and insert "506"; in line 24, after the word "section," to strike out "605" and insert "505"; in line 25, after the word "the," to strike out "President" and insert "Civil Service Commission"; on page 92, line 2, after the word "as," to strike out "he may deem" and insert "may be deemed"; and in line 4, after the word "sections," to strike out "605 to 608" and insert "505 to 508," so as to make the section read:

Sec. 506. Any transfer of officers or employees under section 505 shall be without changes in classification or compensation, but the Civil Service Commission is authorized to make such changes in the titles, designations, and duties of such officers and employees as may be deemed necessary to carry out the provisions of sections 505 to 508, inclusive, of this title.

The amendment was agreed to.

Mr. DAVIS. Mr. President, on page 91, line 21, after the word "commission," I desire to move to strike out the comma and the words "and all other officers and employees of such board shall be dismissed," and insert a period.

The VICE PRESIDENT. That is not an amendment to a committee amendment. Under the agreement the committee amendment shall be disposed of first.

The next amendment was, on page 92, line 15, after the word "section," to strike out "605 or 606" and insert "505 or 506," so as to read:

Sec. 507 (a) All orders, determinations, rules, or regulations made or issued by the Personnel Classification Board, and in effect at the time of such transfer, shall continue in effect to the same extent as if such transfer had not been made, until modified, superseded, or repealed by the Civil Service Commission.

(b) All provisions of law relating to the Personnel Classification Board and the director of classification shall continue in force with respect to the Civil Service Commission in so far as such provisions of law are not inconsistent with the provisions of section 505 or 506.

The amendment was agreed to.

The next amendment was, on page 92 line, 16, after the word "Sec.," to strike out "608" and insert "508"; and in line 18, after the words "as the," to strike out "President" and insert "Civil Service Commission," so as to make the section read:

Sec. 508. Such parts of appropriations and unexpended balances of appropriations available for expenditure by the Personnel Classification Board as the Civil Service Commission deems necessary shall be available for expenditure by the Civil Service Commission in the same manner as if such commission had been named in the laws providing for such appropriations, and the remainder of such appropriations and such unexpended balances shall not be expended but shall be impounded and returned to the Treasury.

The amendment was agreed to.

The next amendment was, at the top of page 93, to insert:

Sec. 509. The provisions of sections 505, 506, 507, and 508 shall become effective October 1, 1932.

The amendment was agreed to.

The next amendment was, under the subhead, "Transfer of Radio Division of the Department of Commerce to the Federal Radio Commission," on page 94, line 1, after the word "Sec.," to strike out "611" and insert "512"; in line 2, after the word "section," to strike out "610" and insert "511"; and in line 6, after the word "sections," to strike out "610 to 613" and insert "511 to 514," so as to make the section read:

Sec. 512. Any transfer of officers or employees under section 511 shall be without changes in classification or compensation, but the President is authorized to make such changes in the titles, designations, and duties of such officers and employees as he may deem necessary to carry out the provisions of sections 511 to 514, inclusive, of this title.

Mr. JONES. Mr. President, on page 94, line 6, the figures "514" should be changed to "515."

The VICE PRESIDENT. Without objection, the amendment to the amendment will be agreed to.

The amendment, as amended, was agreed to.

The next amendment was, on page 94, line 18, after the word "section," to strike out "610 or 611" and insert "511 or 512," so as to read:

SEC. 513. (a) All orders, determinations, rules, or regulations made or issued by the Department of Commerce in respect of the Radio Division, or by the Radio Division, and in effect at the time of such transfer, shall continue in effect to the same extent as if such transfer had not been made, until modified, superseded, or repealed by the Federal Radio Commission.

(b) All provisions of law relating to the Radio Division shall continue in force with respect to the Federal Radio Commission, in so far as such provisions of law are not inconsistent with the provisions of section 511 or 512.

The amendment was agreed to.

The next amendment was, on page 95, after line 2, to insert:

SEC. 515. Such of the officers and employees of the Radio Division of the Department of Commerce and the Federal Radio Commission as, in the judgment of the President, are indispensable to the efficient operation of the consolidated bureau, shall be retained, preference being given to length of service and efficiency.

The amendment was agreed to.

The next amendment was, on page 98, line 6, after the words "Title," to strike out "VIII" and insert "VII," so as to make the heading read:

Title VII—Provisions applicable to veterans.

Mr. BRATTON obtained the floor.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BRATTON. I yield.

Mr. McKELLAR. Will the Senator yield to me to suggest the absence of a quorum? This is a very important matter. It involves the adjustment of the veterans' benefits; and I think there should be a full attendance of Senators.

Mr. BINGHAM. Mr. President, before the Senator does that, will he yield to me?

Mr. BRATTON. I yield to the Senator from Connecticut.

Mr. BINGHAM. Mr. President, during my necessary absence from the floor I understand that the committee amendment on page 79 was altered without a vote; that some of the various consolidations which the President is authorized to make immediately were taken out of the committee amendment. I should like to inquire from the Secretary as to which words in that proviso were taken out.

Mr. McKELLAR. If I may answer, the merchant marine was stricken out, and conservation.

Mr. BINGHAM. I thought the merchant marine was one of the things we were all agreed could be promptly taken care of by the President.

Mr. McKELLAR. I want to say that I had the same view that the Senator had, and protested against that action, but the Senate outvoted me. I think it ought to be abolished.

Mr. JONES. Mr. President, it developed on the floor of the Senate that there was considerable difference about what should be done. The Senator from Florida [Mr. FLETCHER] had very much to suggest.

Mr. BINGHAM. Was there a vote on it?

Mr. FLETCHER. Yes; there was a vote on it. I do not think that ought to be included in this bill at all.

Mr. BINGHAM. Would the Senator be willing to permit us to reconsider that vote? I did not know that there was any such consideration pending.

Mr. FLETCHER. We have discussed it here. We can not, of course, delay this matter until everybody has listened to the debate. It was discussed and considered.

Mr. BINGHAM. I do not desire to prolong the discussion, but I should like to have an opportunity to secure a vote on it.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BRATTON. I yield to the Senator from Tennessee.

Mr. McKELLAR. I will say to the Senator from Connecticut that the Senator from Florida [Mr. FLETCHER] offered the amendment, and it was argued; and I am not sure, but I think I was the only one who voted against its exclusion.

Mr. JONES. I understand that the Senator from Connecticut wants a vote on the amendment. I practically

agreed that the matter might be stricken out, and I think that is the way it went out without coming to a vote, because there was every indication to my mind that there would be long discussion over that proposition if it was insisted upon, and I thought that the President could make his recommendations to Congress when the time came; so I practically accepted the proposition.

Mr. BINGHAM. That was what I understood, that it was accepted by the chairman of the committee; that there was not a vote on it.

Mr. FLETCHER. It was transacted in regular order. I offered the amendment striking out "merchant marine." The Senator from Washington wanted to know why I insisted upon that amendment, and thought I ought to make some explanation about it. I proceeded to do so; and before I finished the Senator from Washington said that he thought the President might make recommendations to Congress from time to time, and that it would be all right to let those words be stricken out.

I do not know whether there was a vote on the matter then or not. I suppose there was. Anyhow, the Vice President put the question. The Senator from Tennessee [Mr. McKELLAR] raised some protest, but the Vice President said, "Without objection, the amendment is agreed to," or otherwise put it to a vote. I do not know what the record is; but the amendment was disposed of in the regular order, and the words were stricken out.

I hope the Senator from Connecticut will not ask for a reconsideration now, but I am not going to raise any point about it. I have no right to consent to anything about it. If we go into it all again, we will have to go over the same ground that has been covered heretofore. If there were not an element of time involved here, we could spend another half-hour or two hours on it. I am going to insist that it go out, because this bureau was created by Congress and ought to be under the control and direction of Congress. I refer to the Shipping Board, not the merchant marine. That is one objection to it. "Merchant marine" does not mean anything. There is no division, there is no branch, there is no bureau, there is no department known as the merchant marine.

Mr. BINGHAM. Why does the Senator object to its being in, then?

Mr. FLETCHER. I object to it because I do not know what it covers, in the first place. It may cover the Shipping Board and the Fleet Corporation, if you call that the merchant marine. It may cover both of them, or it may not. I assume that perhaps that is what it was intended to cover—the entire shipping interests of the United States; the merchant marine, using a broad term.

The VICE PRESIDENT. The Senator from New Mexico is entitled to the floor.

Mr. McKELLAR. Mr. President, if the Senator will yield to me for that purpose, I make the point of no quorum.

Mr. FLETCHER. Mr. President, if the Senator will withhold that suggestion for a moment; if the Senator from Connecticut wants to have this matter reconsidered, can we not dispose of that before we go on to the other subject?

Mr. BRATTON. I hope the Senator from Connecticut will not press the matter.

Mr. BINGHAM. Very well, Mr. President; I withdraw the request.

Mr. McKELLAR. I make the point of no quorum.

Mr. TYDINGS. Will the Senator withhold that for a moment?

Mr. McKELLAR. I withhold it.

Mr. TYDINGS. I do not want to take the floor from the Senator from New Mexico, but I should like to ask a question of the chairman of the committee before the Senator proceeds.

The VICE PRESIDENT. Does the Senator from Tennessee withhold his suggestion of the absence of a quorum?

Mr. McKELLAR. I do.

The VICE PRESIDENT. Does the Senator from New Mexico now yield to the Senator from Maryland?

Mr. BRATTON. I yield.

Mr. TYDINGS. I should like to ask the Senator from Washington if it is not a fact that we are trying to save about \$400,000,000 in proposed economies?

Mr. JONES. I do not know that a definite amount has been fixed. We want to save all we can.

Mr. TYDINGS. What figure is the Senator attempting to reach?

Mr. JONES. As the bill was reported the committee estimated that it would save about \$230,000,000—something like that. We have just reached one proposition as to which I do not know what the action of the Senate will be. There is a difference among the members of the committee as to whether or not we should deal with the veterans; and the Senator from New Mexico [Mr. BRATTON] is going to make a motion to strike out this title. If the Senate should strike it out, that would cut down our amount about \$48,000,000. We expected to save by the bill as we reported it, I think, about \$231,000,000 or \$238,000,000; something like that.

Mr. TYDINGS. In addition to the \$231,000,000, assuming that that entire amount was saved, is there any other proposition to save any money anywhere else?

Mr. JONES. We are expecting to save all the money that we possibly can in these appropriation bills. The committee did not deem that it was its province to deal with appropriation bills, so we did not go into those; but every appropriation bill—and we have sent only one to the President—must be cut down just as low as we can possibly cut it down.

Mr. TYDINGS. My purpose in asking the Senator these two questions was premised upon the fact that heretofore we have cut some of the appropriation bills 10 per cent, as the Senator knows. A part of that cut of 10 per cent in the appropriation bills obviously applies to savings in personnel.

Mr. BRATTON. Mr. President, I hesitate to yield for a continuation of this discussion.

Mr. McKELLAR. I suggest the absence of a quorum.

The VICE PRESIDENT. The Senator from New Mexico declines to yield further. The absence of a quorum being suggested, the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|----------|--------------|-------------|----------------|
| Ashurst | Davis | Kendrick | Robinson, Ark. |
| Austin | Dickinson | Keyes | Robinson, Ind. |
| Bankhead | Dill | King | Schall |
| Barbour | Fletcher | La Follette | Sheppard |
| Barkley | Frazier | Lewis | Shipstead |
| Bingham | George | Logan | Smith |
| Blaine | Glass | McGill | Smoot |
| Bratton | Glenn | McKellar | Stelwer |
| Bulow | Goldsborough | McNary | Thomas, Idaho |
| Byrnes | Hale | Metcalf | Thomas, Okla. |
| Capper | Harrison | Moses | Townsend |
| Caraway | Hastings | Neely | Trammell |
| Carey | Hatfield | Norbeck | Tydings |
| Cohen | Hawes | Norris | Vandenberg |
| Connally | Hayden | Nye | Walcott |
| Coolidge | Hebert | Oddie | Walsh, Mont. |
| Costigan | Hull | Patterson | Watson |
| Couzens | Johnson | Pittman | Wheeler |
| Dale | Jones | Reed | White |

Mr. McNARY. I desire to announce that the Senator from New Jersey [Mr. KEAN] is detained at a meeting of the Committee on the District of Columbia, and that the Senator from New York [Mr. WAGNER], the Senator from Ohio [Mr. BULKLEY], and the Senator from Oklahoma [Mr. GORE] are also detained in committee.

The VICE PRESIDENT. Seventy-six Senators having answered to their names, a quorum is present.

Mr. TYDINGS. Mr. President—

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Maryland?

Mr. BRATTON. I yield.

Mr. TYDINGS. I do not want to delay the Senator, but I should like to get an answer to the question I started to propound to the Senator from Washington, the chairman of the committee.

As I understand, it is contemplated to save about \$230,000,000, all told, in the economy bill. Obviously, the economies which have already been effected in the appropriation bills to some extent are duplicated in the economy bill. I

was wondering if the Senator could give us an approximate figure of the amount of duplication.

Mr. JONES. No; I can not. We did not know how this bill would finally develop, and we do not know how the appropriation bills will finally develop. Of course, whatever we save by reason of the salary reduction, and so on, and by reason of the reductions in these other bills, will, of course, be determined at the end, but we really made no estimate as to what has been accomplished thus far.

Mr. TYDINGS. I wonder if it would be possible for the clerk of the Appropriations Committee to make not an exact statement but an approximate statement as to how much of the reputed saving of the appropriation bills heretofore passed is now really in existence, excluding the matters contemplated in the economy bill.

Mr. JONES. I asked practically the same question of the clerk of the committee to-day. The bills have not gotten along so that he can make any accurate estimate at all.

Mr. TYDINGS. Mr. President, if I may delay the Senator from New Mexico just a moment, if we save all the money estimated to be saved through the economy bill, about \$230,000,000, a part of that saving has already been figured in the appropriation bill. The economy bill is evidently going to be curtailed a little, so that, as I see it, we are not going to effect economy greatly in excess of \$200,000,000. Yet we have pictured to the country that we are going to economize to the extent of \$400,000,000, and the only reason why I rise now is to try to get some approximation of the true figure so that the country may know exactly what economies we will effect.

Mr. JONES. I have not given any such impression as the Senator mentions.

Mr. TYDINGS. I do not say the Senator has.

Mr. JONES. We have arrived at a point in this bill where we may cut off \$48,000,000.

Mr. TYDINGS. May I ask the Senator whether at the first opportunity he will not ask the clerk of the Committee on Appropriations to try to give us a substantial approximation of what has really been saved through the economy bill and in the appropriation bills passed to date? A part of the economies have been duplicated; and obviously, in the ascertainment of that figure, they should be eliminated in one of the other bills so that we may have the true savings in a separate estimate.

Mr. JONES. I will have the clerk get all the estimates he possibly can.

Mr. DILL. Mr. President, will the Senator from New Mexico yield to me?

Mr. BRATTON. I yield.

Mr. DILL. I was called out of the Chamber, and the amendment on page 95 was agreed to—the insertion of section 515. I wanted to discuss that on the floor of the Senate.

Mr. JONES. Let us do that afterwards.

Mr. DILL. I shall enter a motion to reconsider the vote at this time and call it up at a later time.

Mr. JONES. That is all right.

The VICE PRESIDENT. The motion will be entered.

Mr. ASHURST. Mr. President, will the Senator from New Mexico yield to me?

Mr. BRATTON. I yield.

Mr. ASHURST. So much has been said, not especially on the floor of the Senate but throughout the country, as to emergency officers, and there has been so much misinformation disseminated, respecting the emergency officers who served during the World War who have been retired with pay, that I ask leave to print in the RECORD a list of those who are drawing pay on the emergency officers' retired list. I ought to say to Senators that this list embraces only those who were on the list as of date March 29 last.

Mr. KING. Mr. President, will the Senator from New Mexico yield?

Mr. BRATTON. I yield.

Mr. KING. Does the Senator from Arizona mean March of this year?

Mr. ASHURST. Yes.

Mr. KING. Has the Senator added up the number on the list to determine how many there are?

Mr. ASHURST. I have not.

Mr. KING. It now exceeds 6,450, as I recall it, and the number is being added to.

Mr. ASHURST. In view of the fact that the country generally believes that scores of thousands of emergency officers are on the retired list, I think it well to reprint the list as of date March 29.

The VICE PRESIDENT. Is there objection?

Mr. ASHURST. I ought to say that the list would embrace some 20 pages of the RECORD. I want Senators to know that fact, so that there will be no charge hereafter that I have taken too much space in the RECORD.

Mr. KING. Will the Senator permit me to make the suggestion that I do not believe the public think there are so many as the Senator has indicated, for the reason that when the retirement bill was under consideration, it was constantly affirmed that the number who would claim the privilege under it would not exceed perhaps twelve to fifteen hundred?

Mr. ASHURST. Did the Senator say hundreds or thousands?

Mr. KING. No; Senator Tyson stated that in no event would the number exceed 1,800. So the people were led to believe, and Senators were led to believe, that it would be an inconsequential number, and when I was informed, and when other Senators were informed, that the total exceeded 6,000, I confess that there was very great surprise.

Mr. ROBINSON of Indiana. Mr. President, will the Senator from New Mexico permit me to make just one suggestion in reference to what was said by the Senator from Utah?

Whether it is 1,800 or 6,000, the question is whether or not it is just. If there are 6,000 entitled to this relief, they ought to have it. Whether it is 6,000 or 1,800, the number has nothing to do with it.

Mr. BRATTON. Mr. President, we have now reached Title VII of the bill, which contains the provisions relating to veterans. That is the only question on which the subcommittee was finally divided. Respecting all other questions we were able to compose our differences and unite our voices.

We were not able to do so on this question, and the point of division among the members of the committee was not confined to the merits or demerits of the several sections in the bill, but a majority of the committee believed that we should go into the subject matter and legislate upon it. A minority of the committee believed that we should not do so.

Mr. President, if the Senate should hold to the view that we should not go into the matter, if a majority of the Senate should share the views held by a minority of the subcommittee, it would be a waste of time to take up this title section by section. It seems to me, therefore, that the orderly way to approach the subject matter would be through a motion to strike out the entire title except section 709, which provides for the appointment of a commission to study the whole subject matter of legislation touching veterans, and report to Congress next January.

Accordingly, Mr. President, in the interest of haste, and to record the judgment of the Senate upon the broad question of whether we shall go into this subject matter, I intend in a few moments to ask unanimous consent to interpose a motion to strike out all of Title VII except section 709. If that motion shall prevail, it will be useless to discuss the sections one by one. If that motion shall not prevail, then we must take up the sections and discuss their merits and demerits.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. BRATTON. I yield.

Mr. HARRISON. As I understand it, there was a subcommittee at first which worked out this matter and then referred it to the whole committee?

Mr. BRATTON. Yes.

Mr. HARRISON. How did the subcommittee stand on Title VII?

Mr. BRATTON. A majority of the subcommittee stood in favor of including the legislation in the bill. The full committee stood 10 to 9 in favor of doing so.

Mr. HARRISON. If this title should be stricken out and a commission should be appointed to investigate and report, when would it report?

Mr. BRATTON. The bill expressly provides that the commission shall report in January, 1933.

Mr. HARRISON. Then, there would be approximately \$200,000,000 economies effected? Is that right?

Mr. BRATTON. Not quite that much.

Mr. HARRISON. Within two or three million dollars of \$200,000,000?

Mr. BRATTON. That is substantially correct.

Mr. HARRISON. We started out to get about \$350,000,000, I think. Is it the Senator's opinion, as a member of the Committee on Appropriations, that \$150,000,00 in economies would be effected through savings in the general appropriation bills, and that, added to this, would figure about \$350,000,000?

Mr. BRATTON. That is my judgment; and I think the Committee on Appropriations can effect additional savings of \$150,000,000.

Mr. HARRISON. Then, if the Senate should strike out this provision, it can not be said that we have demolished the economy program, as far as effecting savings to the amount of \$350,000,000 is concerned?

Mr. BRATTON. It can not be so stated by any means.

Mr. HARRISON. As one Member of the Senate, I wanted to follow the unanimous report. I am told now the committee stands 10 to 9, and it is rather difficult to tell just which way to proceed.

Mr. BRATTON. The Senator will find on page 30 of the report of the committee the minority views, in which the Senator from Tennessee [Mr. McKellar] and I concurred.

The VICE PRESIDENT. May the Chair suggest that the same result would be obtained by voting down the committee amendment, because the provision the Senator desires to preserve is the House text?

Mr. BRATTON. The procedural situation I had in mind was that we would have to take up the title section by section.

The VICE PRESIDENT. If the Senator moves to strike out then the provision could be amended, unless by unanimous consent the Senate could vote on the committee amendment or on the proposition submitted by the Senator from New Mexico.

Mr. BRATTON. Mr. President, addressing ourselves to the matter of going into this field, the body of law dealing with ex-service men has been constructed over a period of about 15 years. Various measures have been enacted. Each of them came under the jurisdiction of the Finance Committee. That committee proceeded in an orderly, deliberate way. Hearings were conducted. Veterans concerned were given an opportunity to appear and express themselves. Through that method, through successive steps taken in that way, the whole body of law relating to ex-service men has been constructed.

Now, Mr. President, under the guise of effecting economy, and solely under that guise, it is proposed by another committee, a committee which never dealt with the subject before, a committee which has paid no attention to it except as its individual members in this body gave some thought to it, as a means of effecting economy, if you please, to take from ex-service men, not temporarily, not a horizontal cut, but to take from them permanently, benefits aggregating almost \$50,000,000 a year.

Not only that but our committee proceeded in haste. This title was added as a rider to an appropriation bill. The special committee proceeded behind closed doors. Not a veteran, from center to circumference of the Nation, was heard. Not a veteran was given notice that the committee was considering such matter. Without the veterans having any opportunity to be heard, without their having any opportunity to speak for themselves, without their having any

opportunity to address themselves to the merits or the demerits of the proposed legislation, the committee came from its executive session with a provision in this bill designed to remove permanently from the rolls thousands of ex-service men.

For instance, it is estimated that section 701, appearing on page 98 of the bill, would remove from the rolls 28,300 ex-service men. That statement is found at page 20 of the report, just preceding the title "Veterans in institutions." Senators will note this language in the report:

It is estimated that this section will result in the removal from the rolls of some 28,300 persons and while this number may seem somewhat high when it is considered that there are over a million persons receiving benefits it will be seen that the effect on the total number of persons receiving benefits is slight.

Mr. President, much has been said on the floor of the Senate during the last two or three days about Federal employees having arranged their affairs relying upon their salaries from the Government. These arguments were made with much force. But does any Member of the Senate have any difficulty in differentiating between a Federal employee whose salary is reduced only 10 per cent, and that reduction confined to a period of one year, with the health and with the retirement annuity upon which he can rely during old age, on the one hand, and, on the other hand, the elimination permanently of 28,300 veterans from the pay roll of the Government, without notice, without opportunity to be heard?

What have we to say about the veteran who has built a home, perhaps mortgaged it, perhaps conducting a little poultry business in the back yard, relying upon his stipend from the Government with which to pay the mortgage, with which to conduct the business, with which to support himself and his family, and having him rise some morning and find that a committee of the Senate, behind closed doors and in executive session, proposed to remove him entirely from the roll, not temporarily but permanently, thus taking away the very source from which he expects to retire the mortgage upon his modest home and support himself and family and to educate his sons and daughters.

Mr. President, the original legislation was not enacted in this way. The veterans had the right to assume that the legislation constituted what may be termed a contract between the Government and themselves, and that before it should be violated in this fashion they would be given an opportunity to appear and be heard. Why, even in the courts of the country in a civil action between citizen and citizen, a man's property can not be taken from him without giving him notice and affording him an opportunity to be heard and speak upon the merits of the controversy. But here it is proposed that a sovereign government take advantage of a class of its citizens in a way that is denied a citizen when he litigates with another citizen in a court of law.

To me it is unthinkable that Congress should take such action in the method and in the manner I have outlined, not moved by any consideration of injustice or inequalities in the administration of the law, but solely upon the ground of effecting economy, because that is what the committee was established for, that was the obligation enjoined upon the committee, and that was its sole function—not to correct injustices in veterans' legislation, not to prevent fraud in the administration of veterans' affairs, not to cure or correct the legislation, but to achieve economy. Under that guise, under that charge, the committee of six, sitting behind closed doors, raises the ax and, when it falls, at one swoop \$50,000,000 is taken away from the disabled ex-service men of the country, not temporarily but permanently.

Mr. GLASS. Mr. President—

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Virginia?

Mr. BRATTON. I yield.

Mr. GLASS. I do not understand we are taking any compensation from a disabled veteran who was disabled by rea-

son of his services in the war or is now in ill health by reference to any service in the war. If that be so, I have had an utter misapprehension of the design and the provision of the bill. I have understood that we were discontinuing the compensation, if it may be called that, to ex-enlisted men whose illness, if there be any, may not be referred to their service in the war, or whose disability, if there be any, may not be referred to any service they performed in the war.

Mr. BRATTON. Of course, all compensation is disability compensation. That is what it is for. That is what it was created for, to compensate a man for disability attributable to his service in the war or aggravated by such service. Part of it is traceable directly to service and is what may be called and is called by the Veterans' Bureau a causative factor. The other rests upon the doctrine of presumption; that is to say, if a veteran can show that within a certain period he was disabled in a certain way, it is presumed that the disability is traceable to his service. But all compensation of either kind is disability compensation designed to compensate the veteran for a disability suffered as a consequence of his service in the war.

Suppose it is a presumptive case, under the law which has been built up in an orderly fashion under the jurisdiction of the Finance Committee, the veteran is given that status, his compensation is fixed, his Government said he is entitled to so much money. He arranges his affairs accordingly. Now out of a clear sky the edict comes that no longer shall that be the case; that his compensation will not be curtailed but terminated; and that he can go into the ranks of the unemployed and do the best he can.

Mr. ROBINSON of Indiana. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Indiana?

Mr. BRATTON. I yield.

Mr. ROBINSON of Indiana. I am wondering just what argument could have been made in the committee as a basis for taking any action that seems so thoroughly unjust to men who have worn the uniform in defense of the country. The statements made by the Senator from New Mexico, which I have no doubt are entirely true, are so extraordinary that I am wondering if the Senator could not give us some of the reasons advanced for taking such unjust action as this seems to be against the veterans of the United States.

Mr. BRATTON. In justice to members of the committee—indeed, the majority who advocate the legislation—I prefer to refrain from expressing an opinion respecting the motives which actuated them. Sufficient it is to say that the Senator from Tennessee [Mr. McKellar] and I, who presented the minority report, felt, in the first place, that any inequalities or injustices which may exist in the legislation should be corrected through the orderly and regular channels; that is to say, bills introduced, referred to a committee having jurisdiction of the subject matter, hearings conducted if requested, and then an opportunity for the veterans concerned to appear and present their side of the question.

Mr. CONNALLY. Mr. President, do I understand the Senator to say that the bill provides for a joint committee to do that very thing?

Mr. BRATTON. Yes. Section 709 provides for a joint committee to conduct a survey of the whole matter and report to Congress not later than the 1st of next January.

Mr. CONNALLY. So that if this title is not eliminated such a committee would be created, which would take up the matter and report back something in the form of permanent legislation?

Mr. BRATTON. That is the purpose of the section.

Mr. ROBINSON of Indiana. I assume, in that event, of course, that the veterans would have an opportunity to be heard and present their side of the case before the special committee?

Mr. BRATTON. So far as I know, this is the first time any committee ever undertook to proceed in this way.

Mr. VANDENBERG. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Michigan?

Mr. BRATTON. I yield.

Mr. VANDENBERG. While mathematics is purely secondary to the equities, may I ask the Senator to straighten out what seems to be a discrepancy in the minority report, which indicates, in the fourth line, that \$100,000,000 is involved in Title VII, and in the last line of the first paragraph that \$50,000,000 is involved?

Mr. BRATTON. I should be glad to clarify that. At the time the minority report was prepared a majority of the subcommittee of six had inserted provisions in the bill which took from the veterans a total of approximately \$100,000,000. The full Committee on Appropriations reduced that to \$50,000,000. In revising the minority report after the full committee had taken that action, the correction was made in the second place but overlooked in the first place.

Mr. BINGHAM. Mr. President—

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Connecticut?

Mr. BRATTON. I yield.

Mr. BINGHAM. I am sure if the Senator will revive his memory he will recall that a majority of the committee did not agree with regard to \$51,000,000 that comes out of the disability nonservice connection, but that was put in the report through the full committee merely because it was the opinion of two or three members of the committee that it should be considered by the full committee. It represents the views of a majority of the committee. I say this because I was one of those who felt that it could be done without any injustice to anyone, and I was in favor of it, but I was in the minority.

Mr. BRATTON. Perhaps the Senator's statement is more accurate than my own was, and I accept it. At least, it was proposed to amend the act of July 3, 1930, by eliminating that class of veterans suffering a disability of 25 per cent whose compensation is \$12 per month. If that provision had remained in the bill, it would have stricken from the rolls veterans drawing \$51,000,000 annually. That sum, added to the \$50,000,000 now in the bill, made up the total of \$100,000,000 to which the first figure refers. In revising the minority report after final action had been taken by the full committee, the correction was made in the second place and overlooked in the first instance. The truth is that the bill as it now stands contemplates reductions or eliminations aggregating a little less than \$50,000,000 annually.

Mr. President, it is not my purpose to go into the merits or demerits of the several sections of the bill nor the several classes of veterans dealt with there. I think before we reach the merits of the legislation we should determine the broad principle whether Congress is going to legislate concerning these veterans in this fashion, whether under the guise of economy, behind closed doors, with no opportunity to be heard, we are going to eliminate this tremendous number from the rolls permanently by taking their stipends away from them and thus add them to the unemployed and let them go into life and do the best they can.

My thought is that if such a motion as I have presented shall prevail, we will avoid extended discussion of the several questions. That discussion will consume a great deal of time. If a majority of the Senate disfavor going into the matter at all, but prefer to have a joint committee make its survey and report the 1st of January, then discussion of the separate sections would be a waste of time. Therefore I ask unanimous consent to interpose a motion to strike out all of Title VII except section 709.

The VICE PRESIDENT. Is there objection?

Mr. BINGHAM. Mr. President, reserving the right to object, I hope the Senator will not do that. I know how strongly the Senator feels in these matters. The Senator knows I have heard him express his views two or three times before the subcommittee and the committee just as he has expressed them on the floor. I think the Senator will agree with me that there is varying merit in the proposals. Some

of them should appeal more strongly than others. They do not stand foursquare except so far as they appeal under the Senator's condemnation of them as having been made behind closed doors and without the beneficiaries being given a chance to be heard.

May I remind the Senator that the legislation regarding pay cuts, the legislation regarding travel allowances, and all the other legislation embraced in this bill for which the Senator and I both have voted have actually been put in the bill without any of the beneficiaries of it having been heard. The Senator knows that every member of the subcommittee had sympathy with those concerned, that they had sympathy with the Federal employees, and sympathy with the veterans, but we were laboring under the necessity of trying somehow to effect a saving of \$250,000,000, and the committee worked faithfully to accomplish that purpose.

Some of the various provisions which are in front of us, and which the Senator is asking unanimous consent to strike out, are designed to correct what to my mind are extremely unfair and ill-advised provisions of the existing law. There are other provisions about which that may not be said.

I do not desire to discuss the matter at length, but I hope the Senator will withdraw his motion. I dislike to oppose it, but I should like to discuss each one of these particular items on its own merits.

Mr. BRATTON. Mr. President, the Senator will agree that, regardless of the degrees of merit or demerit of the several sections of the bill, they are all laden with the defects which I have attempted to draw to the attention of the Senate; that is to say, they were put into the bill behind closed doors without the beneficiaries being heard. If that is a controlling principle, and if it is the sentiment of the Senate that legislation should not be formulated in that way, it would be just a waste of time for us to discuss the provisions of the title section by section.

If the majority of the Senate believe that we should go into the matter and give it careful consideration, then, of course, we shall take up the title section by section. But I appeal for an opportunity to let the Senate record its judgment as to whether or not we shall go into the matter at all. If it is decided on the threshold that we shall not legislate in this fashion, I know that the Senator does not care then to have, perhaps, many hours, perhaps a day or two consumed in discussing the various degrees of merit and demerit of these several sections.

Mr. BINGHAM. The Senator will perhaps remember that I appealed to the committee on this particular point, that it hear representatives of all service organizations, including the committee which has been doing a good deal to show the country the danger of some of this legislation and the chance for economy in connection with it; that I called the attention of members of the committee to the fact that we would be accused of just this thing if we did not hear all their representatives and hear what they had to say.

Mr. BRATTON. Exactly.

Mr. BINGHAM. And the committee voted against my appeal.

Mr. BRATTON. Yes, after the committee had agreed that its deliberations should be secret and should not be disclosed on the outside; then the Senator sought to make an exception of this one matter but not as to any other part of the bill. On that a majority of the committee disagreed with him. We adhered to the view that, having agreed that our sessions should be secret, we should follow that course throughout. We did so, and with that procedure adopted, a majority of the committee favored inserting the legislation. A minority did not.

Mr. BINGHAM. Mr. President, the Senator himself has just stated that it was the view of the committee that all the discussion, all the action of the committee, and all the work it did should be in secret session. No opportunity was given to the representatives of the veterans' organizations to be heard, nor was any opportunity to be heard given to representatives of the Government employees, who are just as vitally concerned with the money that they earn as are the veterans concerned with the money which the Congress,

in its generosity, has in previous years decreed should be theirs.

I claim, Mr. President, that there was no injustice done to anyone by the committee's decision. The committee was obliged to act promptly, and these various provisions, which were fully discussed in the other House, and which were fully discussed, if my recollection serves me, before the House committee, were put in by the committee because the committee believed they were justified, and that these cuts be made without harming any who were seriously entitled to consideration. For these reasons I hope the Senator will not press his request.

If this question comes to a vote, the vote will be had on the general principle, and it will be claimed by many that a vote for the committee amendment will be a vote in general against the veterans, and a vote for the motion offered by the Senator from New Mexico will be taken as a general expression of opinion. I believe that if we could have some of these matters explained individually we might save some of the money involved.

The Senator from New Mexico has claimed that on the "specious plea" of economy we were asked to do this. Mr. President, a plea of economy is not a "specious plea." The taxpayers of the country are crying out for economy and more of it. One-quarter of all the Government expenditures to-day is spent on the veterans' administration; 25 cents out of every dollar of the taxpayers' money go into the veterans' administration. If there is to be economy, it seems to me it is only fair that the veterans, in so far as they are able to do so, should bear a part of it, as well as the Government employees.

A very large part of the money spent by the Government is spent in paying interest on the public debt and in setting aside an amount for the sinking fund. These items can not be interfered with without the Government going into bankruptcy.

If economy is to be attained, if we are to reach the goal which the President set before us in the address which he delivered in this Chamber in the hope that we might save \$250,000,000 by this bill, I trust that those who sympathize with the position taken by the Senator from New Mexico and propose to vote for his motion, if we have a vote on that general question, will find some other way whereby they can save the \$50,000,000, which a vote for his motion would strike from the bill.

Mr. ROBINSON of Indiana. Mr. President—

The VICE PRESIDENT. The Senator from Washington [Mr. JONES] was recognized before the Senator from New Mexico rose, and is entitled to the floor.

Mr. JONES. Mr. President, I want to make a brief statement regarding the pending question. I rather feel that the Senator from New Mexico, not intentionally at all, for there is not a fairer man on this floor than is he, has probably given just a little bit of a wrong impression with reference to the status of the committee of six.

From the beginning, as I think the Senator knows, I was against taking up veterans' matters. I was against doing so for this reason, that only a couple of years ago Congress enacted legislation granting compensation of various kinds to World War veterans, and it is only a short time ago since we provided for the Spanish War veterans as well. Congress took that action; Congress took it deliberately; it must have been presumed to have gone into the matter very carefully; and I took the ground in the committee that I did not believe we ought, within practically two years, undo some of the legislation that Congress had deliberately passed dealing with the veterans. That was my general attitude.

Mr. BRATTON. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from New Mexico?

Mr. JONES. I yield to the Senator from New Mexico.

Mr. BRATTON. Under no circumstances would I intentionally do the Senator from Washington an injustice or create an incorrect inference respecting his position.

Mr. JONES. I know that to be so.

Mr. BRATTON. What the Senator has stated was his attitude; he stated it repeatedly in the committee; I take pleasure in confirming what he has said; and, if any statement I made a few moments ago gave any other impression, I welcome the opportunity to correct it. That was the Senator's attitude from the start.

Mr. JONES. I thank the Senator; I knew he had that idea.

However, Mr. President, the plea was made that we should go into the matter. In the first place, we all agreed that we did not have the time to hold public hearings in the committee; and considering the matters with which we had to deal, we thought we would have about the same opinion after hearings as we had before them. The time was short; and we knew very well that some would not be in favor of a 10 per cent cut; we knew that others would be in favor of another kind of a cut, and nobody, of course, would want any cut at all if it could be avoided.

In regard to the other questions with which we had to deal we knew very well that with reference to the pension matters there would be a difference of opinion. Of course, nobody would want to decrease the payments being made. So the question was discussed whether or not we should go into legislation of that character at all. As I have said, I took the position, along with others, that we ought not to go into it and interfere with pension legislation; that, regardless of the merits of the particular cases or particular classes, the committee should not take up that question, which had been settled by Congress just two or three years ago.

Some of the members of the committee were very insistent upon taking the questions up, and very honestly so. I have no hesitation in saying that the Senator from Connecticut [Mr. BINGHAM] was strongly for that course. He himself is a veteran, and I think his views in regard to such matters are entitled to very great weight and consideration. So, even though it might be said we were evenly divided as to whether or not we should go into pension legislation, we felt, under the insistence, that it should be gone into, that we would take it up, and we did take it up.

The various amendments to this title of the bill were suggested by the Director of Veterans' Affairs, General Hines, who is a very fine man, and, as everybody knows, of course, he is a friend of the veterans. He suggested certain amendments and furnished estimates as to what they would save and gave to us a very full and complete statement in reference to them.

After we had gone through them, instead, I would say, of voting 4 to 2, we submitted the report and recommendations to the full committee, and in the full committee my recollection is that I suggested to the committee that the first thing that should be determined was just what the Senator from New Mexico is now asking the Senate to determine, namely, whether or not we should go into the matter of pension legislation. The vote was in favor of that. I want to say that I voted against that. I took the same position then that I take now.

I am not going to discuss these various items. I think the motion that I understood the Senator had made, or at any rate that he was talking of making, was the proper thing to do, and let the Senate determine whether or not it wants to go into this field now, whether or not it believes it should go into this field. Personally, I do not believe it should. I think—I may be wrong about it—that the Senator would have a perfect right, and I believe it would be in order, to move to strike out of this bill a certain part of it.

I think it would be wise to get the sentiment of the Senate with reference to that particular proposition as to whether or not Senators want to go into that field. If the Senate does not want to go into it, it should say so, and I think it can very well say so; and in that way, as was suggested by the Senator from New Mexico, we might save a whole lot of time.

If the Senate wants to go into that subject; if it thinks, in view of the past action of the Senate, that this is the time

for us to go into it, then, of course, we will go into these various propositions.

That is about all I care to say.

Mr. WALSH of Massachusetts. Mr. President—

Mr. JONES. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. The Senator is the third member of the committee who does not feel that the Senate should go into this field.

Mr. JONES. I do not think it should.

Mr. WALSH of Massachusetts. Are there any other members of the committee who feel as the Senator does, and as the Senator from New Mexico [Mr. BRATTON], and the Senator from Tennessee [Mr. McKELLAR] have expressed themselves?

Mr. JONES. I am frank to say that I think the other three members of the committee are rather in favor of doing this; and they think just as much of the soldiers as I do, and they think just as much of their welfare as I do.

Mr. WALSH of Massachusetts. The committee is a tie on it? In view of that attitude, how can the Senate act? If you have doubts about the justice and equity of these proposals, how can we be expected to know what course to follow?

Mr. JONES. Let me say to the Senator that the full committee of the Committee on Appropriations, by a vote, I think, of 10 to 9, decided to go into the matter. That very question was submitted to them; and, while no roll call was had, it was my recollection that the vote was 10 to 9. So we went in and considered all of these various matters and brought them out here to the Senate.

I think that is all I care to say.

Mr. GLASS. Mr. President, the statements that have been made here on the floor, as it seems to me, place those members of the Appropriations Committee who voted to sustain the work of the subcommittee in a very unhappy light before the Senate and before the country.

It has been represented to the Senate here that those of us who sustained the subcommittee's work proceeded in a rather heartless way with respect to the veterans; that we heard everybody else, and behind closed doors dealt very harshly with these ex-service men, without an opportunity to them to be heard.

I understand that the deliberations of the subcommittee, of which I was not a member, were strictly secret; that all interests were excluded in order that the members of the subcommittee, free from influences of any description, considering the problems purely upon their merits, might arrive at a conclusion.

Mr. JONES. Mr. President, will the Senator permit me to interrupt him for just a moment?

Mr. GLASS. Yes; I yield.

Mr. JONES. I certainly was unfortunate in my expressions. I did not intend to convey to the public or to anybody else the idea that any of the members of the Appropriations Committee outside of the subcommittee had anything to do with the meetings of the subcommittee.

Mr. GLASS. Oh, I acquit the Senator from Washington and all other Senators of any purpose to do that.

Mr. JONES. I certainly did not.

Mr. GLASS. But it is perfectly manifest that that sort of impression was produced here in the Senate Chamber, because the Senator from Indiana [Mr. ROBINSON] marveled at what might have been the reasons which prompted the subcommittee and the Appropriations Committee to present a provision of this sort in the bill upon the statement of the case made by the Senator from New Mexico [Mr. BRATTON]; and I do not wonder that the Senator from Indiana so marveled, or that any other Senator might have marveled.

Mr. ROBINSON of Indiana and Mr. McKELLAR addressed the Chair.

The VICE PRESIDENT. Does the Senator from Virginia yield; and if so, to whom?

Mr. GLASS. The Senator from Indiana addressed me first. I yield first to him.

Mr. ROBINSON of Indiana. Yes, Mr. President; I marveled that a committee or subcommittee of the Senate should do a thing that seems to have been more or less unprecedented, where the victims in the matter would be the service men, the veterans of the wars of the United States. It did seem to me so strange that I thought there ought to be some statement made as to the reasons for taking this unprecedented action against the veterans.

Mr. GLASS. Exactly; and I do not wonder that the Senator marveled or that any Senator would have marveled.

Mr. BRATTON. Mr. President, will the Senator from Virginia yield to me?

Mr. GLASS. I yield.

Mr. BRATTON. Does the Senator question the correctness of a single statement I made?

Mr. GLASS. I am not prepared to question the accuracy of any statement that the Senator made; but I do say that my understanding of the whole transaction was vastly different from the understanding of the Senator from New Mexico.

Mr. BRATTON. I think the Senator, in justice to me, will recall that I made substantially the same statement in the full committee, in the Senator's presence, in an effort to prevent the full committee from approving these provisions.

Mr. GLASS. No; the Senator is absolutely mistaken about that. He did not make it in my presence, because I was not at the meeting of the Appropriations Committee to which the Senator may have addressed himself.

Mr. BRATTON. Then I withdraw that statement. I did make it to the full committee. Of course, the Senator's statement that he was absent is correct.

Mr. McKELLAR. Mr. President, will the Senator yield now?

Mr. GLASS. What I want to say, if I may proceed just a moment, in justice to those members of the Appropriations Committee who voted without a great deal of knowledge of the details, who voted to sustain the work of this subcommittee of which, I repeat, I was not a member, is this:

I understood that no veteran who actually incurred a disability or illness in the war was affected by this provision of the bill. I also understood from the merely incidental statements made to me in the committee that no veteran who was actually in the war zone, whether injured or not injured, whether ill or not ill, was affected by this provision of the bill. I further understood—I think it would be accurate to say that I was told—that no veteran of any description who is in receipt of less than \$3,000 a year was affected by this provision of the bill.

It was upon that understanding that I voted to sustain the work of the subcommittee, and not through any degree of heartlessness toward any veteran. I had two sons in the firing line and a nephew who was decorated for his courage; and it would be inconceivable to me to entertain or to express any lack of sympathy with the veterans. If, however, the merits of the case are as they were represented to me, I shall not recede from my attitude, and I shall have no apology to make to any veteran or to anybody else for my attitude.

In this connection, Mr. President, I desire to call the attention of the Senate to an article from the New York Times of last Sunday that I had inserted in the Record yesterday, from which, briefly, it will appear that while the United States mobilized 4,355,000 men in the war, the nations of Europe mobilized 34,000,000 men in the war; and that while the United States had 360,000 men killed and wounded, of whom I am told 54,000 only were killed, the other nations engaged in the war had about 16,000,000 men killed and wounded; and yet this Government, in those circumstances, is paying out this year \$1,072,064,000 toward the relief of its veterans, whereas all the other nations combined, with their 34,000,000 enlistments against our 4,300,000, are paying out less than \$1,000,000,000. In other words, this Nation, so far from dealing in a harsh way or a heartless way with the veterans, is paying out this year, in the circumstances mentioned—4,300,000 enlistments

against 34,000,000 enlistments—10 per cent more than all the other nations engaged in the war put together.

Therefore I certainly acquit myself, in the circumstances cited, of any desire on earth to deal inconsiderately or harshly with the veterans, and repeat that if the representations made to me as to the merits of this proposition were in any degree accurate I have no apology to make to anybody for my attitude in the matter.

Mr. BYRNES obtained the floor.

Mr. BRATTON. Mr. President, will the Senator yield in order that I may make a formal motion and have a question pending?

Mr. BYRNES. Yes.

Mr. BRATTON. Mr. President, I move to amend the committee amendment by striking out all of Title VII except section 709.

The VICE PRESIDENT. That includes all the committee amendment.

Mr. BRATTON. That is my motion.

Mr. BYRNES. Mr. President, as a member of the subcommittee, I want to say that I believed that legislation correcting inequalities and injustices in the veterans' legislation should be considered.

I disapproved of the legislation proposed by the Veterans' Administration as to the disability allowance, by which it was claimed \$51,000,000 would be saved, and of the proposal to restrict the production of evidence upon the trial of a case. I thought, however, that as to these other provisions, they should be reported by the full committee. The full Committee on Appropriations took the same view; but I want to say, in justice to them, that at the time the bill was reported it was understood by the committee that every member reserved the right to vote as he saw fit upon these various items whenever they were presented.

One reason why I voted to report them is the law relating to the retirement of emergency officers. It was never intended by the Congress of the United States that the emergency officers' retirement law should operate as it now operates. There was a request on the part of the emergency officers that they should be put on the same basis with the officers of the Regular Army, in so far as retirement was concerned. No officer of the Regular Army is retired by reason of any presumptive disability.

My recollection is that 3,250 names were to be added to the retirement rolls, according to the figures of the Veterans' Administration submitted to the committees of Congress at the time the measure was under consideration. After the bill was passed by Congress an Attorney General of the United States rendered a decision overruling the decision of the attorney of the Veterans' Administration, and, under the decision of the Attorney General of the United States, it was held that while a Regular Army officer could not be retired on account of a presumptive disability, an emergency officer could be retired merely on account of the presumption of disability, and as a result 2,000 names were added to the rolls of the retired officers over and above the number submitted to the Congress.

It is because of that interpretation that we find in the Veterans' Administration that of the 329 doctors employed by the Veterans' Administration 225 have been retired. Under the interpretation of the law by the Attorney General of the United States to which I have referred, many of these officers were retired on account of presumptive disabilities.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. WALSH of Massachusetts. I observe the Senator has given a good deal of thought and study to the administration of veterans' affairs. I would like to inquire from him if it is his judgment that many of the complaints which are made by the public against excessive expenditures in the Veterans' Administration are due to just what the Senator has pointed out and not so much to anything Congress has done through its liberal legislative acts affecting the rights of veterans.

Mr. BYRNES. The Senator from Massachusetts is exactly right. I will say that I followed the debates on the various

veterans' measures, and I have investigated the record recently, and during the consideration of the veterans' legislation the Senator from Massachusetts was one of the most enthusiastic and ardent advocates of the rights of the veterans and the measures for their benefit. After the Congress had enacted the legislation it was subjected to interpretations by administrative officials, which have absolutely destroyed the intent of Congress and brought down on Congress criticism which it did not deserve.

Mr. WALSH of Massachusetts. I am glad to hear the Senator's observations, for they are in accord with my own study of this problem.

Mr. BYRNES. Whenever the men who fought the battles of America find out that of 329 doctors employed by the Veterans' Administration 225 have been retired on three-fourths pay, I do not blame them for criticizing. Whenever a veteran of this country goes into court on an insurance contract to secure that which he believes is justly due him under his insurance contract a physician is called to the stand from the Veterans' Administration, who testifies that the doughboy is not disabled and is not entitled to recover under his contract. On cross-examination an attorney asks, "Doctor, you are employed by the Veterans' Administration. Are you drawing any retirement pay for disability?" The doctor answers, "Yes." "How much?" "Three-fourths pay." "How were you disabled?" Then we learn often that he is presumptively disabled, and the poor devil who is the plaintiff in the suit is testified out of court by a doctor drawing a salary of three, four, five, or six thousand dollars a year, and at the same time drawing retirement pay of three-fourths of his Army pay because of a presumptive disability. That is one of the reasons why the veterans throughout the country are dissatisfied. That is one of the reasons why we find people criticizing the Veterans' Administration to-day.

If a doctor is so disabled that he is held to be entitled to three-fourths of his pay on retirement, he is so disabled that he is not entitled to draw a salary of five or six thousand dollars from the Government of the United States for working under the Veterans' Administration. If he is able to work for the Veterans' Administration and earn five or six thousand dollars a year salary, then he is in such splendid health and is so able that he should not be retired because of disability. He can take either side of it, but he should not be allowed to take both sides, at the expense of the soldiers and of the taxpayers of the United States.

Mr. WALSH of Massachusetts. Mr. President, is it not a fact that in the retirement of Regular Army officers there must be affirmative evidence that the men seeking to be retired are unfit for duty?

Mr. BYRNES. Absolutely.

Mr. WALSH of Massachusetts. Yet we have retired emergency Army officers who are apparently physically able to perform work that commands a substantial salary.

Mr. BYRNES. Of course, the Senator is right; and the Senator remembers, as does every other Senator who was then a Member of Congress, that when the emergency officers came to us to plead for this retirement legislation all they asked was that they be given the same rights as officers of the Regular Army of the United States. We gave them those rights, according to the language of the law as it was enacted. No man dreamed it would be construed or interpreted to include a man who was presumptively disabled. Yet, as the Senator from Massachusetts has said, such officers have been put upon the roll and are drawing retirement pay in the amount of three-fourths of their service pay, although they in many cases are so able that they are in the service of the Government drawing large salaries.

Mr. WALSH of Massachusetts. How can these doctors resist the pressure brought to bear upon them by applicants for compensation when they themselves are receiving compensation of a doubtful nature?

Mr. BYRNES. I will say to the Senator from Massachusetts that of course the question of retired pay and the question of compensation are questions which inevitably must depend upon the determination of a physician. There seems to have been some evidence, in the examination of physicians by physicians, of "If you tickle me I will tickle

you." In no other way can we possibly account for the large number of physicians who have been retired. I want to call the attention of the Senate to the fact that from the Army Medical Corps 1,465 have been retired with pay, according to a letter written me by the Director of Veterans' Administration a few days ago.

Mr. WALSH of Massachusetts. Of course, the spirit which leads one doctor examining another to recommend him for compensation has run like a thread through the whole structure, and if we want to economize in the Veterans' Bureau, we will have to begin with the medical investigations and the character of their decisions.

Mr. BYRNES. I am satisfied that in no other way can it be done, and I am satisfied that this particular legislation in the bill is most deserving.

Mr. GEORGE. Mr. President, will the Senator yield to me?

Mr. BYRNES. I yield.

Mr. GEORGE. It is a fact, is it not, that we have required the Veterans' Bureau to give preference to veterans themselves, not only the medical veterans but all the veterans who make application for positions with the bureau?

Mr. BYRNES. Yes.

Mr. GEORGE. That is congressional action?

Mr. BYRNES. Yes.

Mr. GEORGE. Let me ask another question.

Mr. BYRNES. Let me answer that question first. That is true, but out of all the doctors who served in the Army and who are veterans and entitled to preference, we ought to be able to get hold of one now and then who has not gotten himself on the retired list.

Mr. GEORGE. I am not thinking of the retired list now, but we do require the Veterans' Administration to give preference to veterans?

Mr. BYRNES. Yes.

Mr. GEORGE. I infer the Senator will concede that the actual reformation made in the veterans' legislation by this bill is just a beginning, is it not?

Mr. BYRNES. I do not understand.

Mr. GEORGE. I mean it is not the Senator's view that the bill now before us is a complete reformation?

Mr. BYRNES. Oh, no; of course, it is not.

Mr. GEORGE. Would it not be wiser, if that is true, that this matter be referred to a committee to go into it and make a careful survey, so that every abuse which now is apparent and obvious can be corrected at the next session of the Congress?

Mr. BYRNES. I will answer the Senator in a moment. I am coming to that point right now, and I am going to express my views on it.

There are several other items of a similar nature. Here is a boy who, after the war, in 1919, enlisted in the Regular Army. He did not go into the war. He may have stayed out because he did not like the noise of guns. He may have stayed out for other reasons. But for whatever reason, he did not enlist until 1919 or 1920, when he enlisted in the Regular Army. Because we in Congress declared that the technical termination of the war was July 2, 1921, if that boy, who did not like the ocean and stayed at home, and after the war was over enlisted in the Army, on July 1, 1921, fell off his piazza or tripped up and sprained his ankle, he is, in the view of the Veterans' Administration, entitled to all the benefits received by the soldier who was at Montfaucon fighting in the closing days of the war in 1918. It is held that the war was not over technically until July 2, 1921, by reason of the declaration of Congress, and therefore he is entitled to benefits which the boy who might be hurt on July 4, 1921, is not entitled to. I imagine there was no more surprised human being than such a boy when he was told, "My friend, you are entitled to more compensation and to more benefits, because you were injured during the war." Of course, the boy thought the war ended November 11, 1918. He had to be told that he was mistaken; that, according to a declaration of Congress, the war was not over until July 2, 1921. Therefore, he is placed on the same basis with the

fellow who was injured in Europe fighting the battles of his country. I know that whenever the ex-service men of America have those things called to their attention, none will demand more than they that these injustices and inequalities be remedied.

Then I get to the question brought up by the Senator from Georgia. I know the hopelessness of it now. I have conferred with my colleagues here. They think they should not be considered now. There are some proposals suggested by the Veterans' Administration to which I do not agree. Such things as I have called attention to I am satisfied must be done. I know, however, that they can never be done unless we have an opportunity to present them at a time when they can be explained, and I have come to the conclusion that that can not be done now.

I have conferred with members of the committee. I have called to their attention the fact that on yesterday the House of Representatives, by a vote of 160 to 24, passed a bill, under suspension of the rules, doing exactly what this committee has recommended in section 2 affecting emergency officers, which subject I have referred to in the last few minutes. That bill was sent to the Senate and has been referred to the Committee on Finance.

That is the committee charged with the consideration of such legislation and to which the bill was referred to-day. We have the same provision contained in this bill. I know that in endeavoring to explain it on the floor of the Senate it can not be properly done, so I have come to the conclusion to-day, much as I should like to have these injustices and inequalities removed now, that it can not be done at this time, and the one thing that is practical is to agree to the appointment of a joint committee to consider them and report to the next session of the Congress.

I want to ask the Senator from Connecticut a question. He holds the view I do as to the retired Army officer provision. He has indicated his intention to object to the unanimous-consent request of the Senator from New Mexico. I want to ask him before doing so to consider whether or not there would be any possible chance to present for the consideration of the Senate the subject in which he is interested, as well as those I have indicated my interest in; and if not, why he should not agree to the request of the Senator from New Mexico to vote as he has suggested, to have a joint committee created to report to the next session of Congress as to all veterans' legislation as well as the matters which are proposed in the bill. My own opinion is that the Senator from Connecticut should not insist upon his objection but that the joint committee should be appointed to carefully consider these matters and report at the next session.

Mr. BINGHAM. Mr. President, I appreciate the force of the appeal made by the Senator from South Carolina. I had hoped that we might carry out the plan to get a real economy measure. When the President came here the other day he said:

It is essential that when we ask our citizens to undertake the burdens of increased taxation we must give to them evidence of reduction of every expenditure not absolutely vital to the immediate conduct of the Government. . . . I have recommended to the Congress from time to time the necessity for passage of legislation which would give authority for further important reductions in expenditures not possible for consideration by either the Executive or the committees of Congress without such legislation.

An earnest nonpartisan effort was made to secure these purposes in a national economy bill in the House, but it largely failed.

The measure the Senator from New Mexico is moving to strike out is among those included in the President's reference—

That subject is under review by the bipartisan committee appointed from the members of the Senate Appropriations Committee, and I am informed it has tentatively agreed upon a recommendation which would aggregate savings of \$250,000,000, together with a number of undetermined further possibilities. I am not informed as to details of these recommendations, although I learn that my own suggestions in many instances have not been accepted.

I may say that we did it this morning. It was stated in the papers when the President first met the bipartisan committee that he suggested a furlough plan. He said:

But I do know that the committee has made honest and earnest effort to reach a just reduction in expenditures, and I trust therefore that despite any of our individual views or the sacrifice of any group that we can unite in support and expeditious adoption of the committee's conclusions.

I appreciate the fact that it is important that the pending measure be passed at the earliest possible moment. I have talked with a number of Senators, and I appreciate that they feel it is extremely unwise at this time to economize in the manner suggested by the committee in the title which is now before us; and although there are some Senators who would like to vote for some of these sections but not for all, I believe that it would be wise to agree to the request made by the Senator from New Mexico and permit the first vote to come on striking out the entire title.

If that vote does not prevail, then I shall ask the indulgence of the Senate to explain why I am in favor of some of these provisions which, as has been explained by the Senator from Virginia [Mr. GLASS], in many cases are extremely fair and humane. If they were fully understood by the Senate I believe it would be for them. For instance, in the very first section, section 701, it is provided that no compensation shall be reduced where a married man has an independent income of \$3,500 or an unmarried man of \$1,500. In other words, it does not apply to a veteran out of a job at all. It does not apply to the veteran who has a small independent income. It only applies to the veteran who, if a bachelor, has an income of \$1,500, and, if a married man with an income of \$3,500, with an additional \$400 for each dependent. It does not apply to the poor man who does not know where the next dollar is coming from.

It does not apply to anyone 65 years of age or over. It does not apply to those who served in the actual military or naval forces and actually suffered an injury or contracted a disease in line of duty as a result of and directly attributable to such service. It does not apply to those who are temporarily totally disabled or permanently and totally disabled as a result of disease or injury acquired in or aggravated by the active military or naval service.

It does not apply to widows and dependents entitled to compensation or pension on account of the death of any person who served in active military or naval service. It does not apply to those persons who were actually engaged in combat with the enemy, who served in a zone of hostilities or who were actually under fire.

Mr. President, I refrain from any further discussion. I merely want to mention that to show my fellow veterans that in supporting what the committee has done I endeavored to protect those in need, those who did not have to pay income taxes, widows, and orphans, those who received actual injury or were sick at the front.

But the Congress in its wisdom and generosity, during the years when we were running a surplus of \$500,000,000 to \$750,000,000 a year, opened wide the doors and gave all sorts of compensation to various people on the theory that they could not afford not to be generous. They have laid themselves wide open and we have tried to correct some of those things here. There are individuals, for instance, who are perfectly healthy to-day, but who had tuberculosis as a result of the war and are now able to do a good day's work, who are to-day entitled to draw \$50 per month from the Government, no matter whether they have an income of \$5,000 or \$100,000 a year. There are said to be 3,000 doctors in the active practice who have been able to secure a disability rating of 30 per cent which entitles them to three-quarters of their pay as captains and majors during the war. I do not believe the veterans want to ask that that be continued in the face of the need for economy.

But I refrain from further discussion and withdraw my objection to the unanimous-consent request of the Senator from New Mexico. I think I shall vote against the motion, believing, as I do, that if the matter could be presented to the veterans they would not object to bearing their share of

the necessity for Government economy, which, as the committee has proposed it in the bill, amounts to about \$47,000,000 out of the more than \$1,000,000,000 to-day appropriated for administration of veterans' relief.

Mr. BYRNES. Mr. President, I want to ask the Senator from Connecticut if he does not agree that it would necessitate an explanation of each one of the items and would inevitably involve considerable debate upon each one of them and greatly delay the passage of the bill which we all agree should be passed immediately.

Mr. BINGHAM. There is no question about it and that is why I have yielded to the Senator's suggestion and withdrawn my objection to the unanimous-consent request of the Senator from New Mexico.

Mr. CUTTING. Mr. President, I do not wish to speak if it is going to delay action on the unanimous consent submitted by my colleague.

The VICE PRESIDENT. Is there objection to the unanimous-consent request submitted by the Senator from New Mexico [Mr. BRATTON]?

Mr. MOSES. Mr. President, reserving the right to object, I want to point out that yesterday I undertook to get similar action in order that an amendment which went to the crux of the situation should be voted upon prior to the perfecting amendments, and then every member of the committee from the chairman down to the Senator from New Mexico or from the Senator from New Mexico up to the chairman, as one chooses to term it, refused me that consent. I shall be more magnanimous, and I shall not object.

The VICE PRESIDENT. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

Mr. CUTTING. Mr. President, I do not care to discuss the question at any length. I do not think I should have said anything on the subject had it not been for the remarks recently made by the Senator from Virginia [Mr. GLASS], who I regret to see is not present in the Chamber. I think the address of the junior Senator from Virginia [Mr. GLASS] is a typical result of the kind of propaganda which has been promulgated throughout the country among people who have been so busy with other things that they have had no time to study the question of veterans' legislation.

The Senator from Virginia stated that in voting for the measure in the Appropriations Committee he did so on the theory that it would not do any damage to those who had served their country and had actually been injured by war service. As the Senator from Virginia is not present in the Chamber, I shall merely call to the attention of Members of the Senate that on page 98, line 12, occurs the word "actually"; in lines 13 and 14 occur the words "as the result of and directly attributable to such service." The same words occur again on page 103 in two different connections, and again on page 111. Those words rule out those who have incurred tubercular or neuropsychiatric complaints as the result of their service connection. They rule out the class of men who on the whole are suffering even more pitifully than those who suffered loss of limbs in action, far more than those who were mercifully granted death at the front.

That is typical of the sort of propaganda which the press at this time is putting out in connection with veterans' legislation. Such legislation is of an exceedingly complicated kind. Most Senators have not had the opportunity or the time to give it detailed consideration. They rely on statements made offhand in the committees or in newspapers, and they base their action accordingly. I have seen a great many newspaper articles on the subject of veterans' legislation claiming to disclose the vast sums expended unjustifiably. Almost all of them can be torn to pieces easily by anyone who has had practical experience with the details of veterans' legislation. It is very strange to me that in none of the articles which I have seen has any attention been paid to the cause of the expenditures which are chiefly criticized to-day by the press.

We hardly ever read an article about veterans' legislation without having the point brought up that a man may be

run over by a street car years after the war and still obtain compensation which in many cases is greater than that awarded to men who suffered in action. I do not wish to go into unpleasant matters connected with the past, but I am so tired of reading such criticism that I really feel I should call the attention of the Senate and of those in the country who will read in the CONGRESSIONAL RECORD what I am saying to the fact that non-service-connected disabilities were never included in any legislation passed by Congress until the session of 1930, when the Senator from Pennsylvania [Mr. REED] submitted an amendment to the so-called Rankin bill, which had come over from the other House. I should like to read, for the information of the Senate, the amendment proposed by the Senator from Pennsylvania at that time. It was as follows:

Sec. 10. That section 200 of the World War veterans' act, 1924, as amended (sec. 471, title 38, U. S. C.), be hereby amended by adding at the end thereof the following:

"On and after the date of the approval of this amendatory act any honorably discharged ex-service man who entered the service prior to November 11, 1918, and served 90 days or more during the World War and who is or may hereafter be suffering from a 25 per cent or more permanent disability, as defined by the director, not the result of his own willful misconduct which was not acquired in the service during the World War or for which compensation is not payable shall be entitled to receive a disability allowance at the following rates: 25 per cent permanent disability, \$12 per month; 50 per cent permanent disability, \$18 per month; 75 per cent permanent disability, \$24 per month; total permanent disability, \$40 per month. No disability allowance payable under this paragraph shall commence prior to the date of the passage of this amendatory act or the date of application therefor, and such application shall be in such form as the director may prescribe: *Provided*, That no disability allowance under this paragraph shall be payable to any person not entitled to exemption from the payment of a Federal income tax for the year preceding the filing of application for such disability allowance under this paragraph."

I shall not read the remainder of the amendment, but I have read the gist of it.

The Senator from Pennsylvania spoke in favor of this amendment at some length on the morning of June 23, 1930. The amendment was voted down by a viva voce vote without a roll call, indicating the overwhelming feeling of the Senate. The bill, without the amendment, passed the Senate by a vote of 66 to 6. That bill was vetoed by the President of the United States, and within a few days, on the recommendation of General Hines, of the Veterans' Bureau, the Finance Committee reported to the Senate a bill practically identical with the amendment which the Senator from Pennsylvania offered on June 23. The new bill was fought on the floor of the Senate by all those who had shown themselves active in the cause of the disabled veterans in the past. Some spoke a number of times and at great length on the subject, pointing out the revolutionary character of the legislation proposed. In the last moments of the session the House and the Senate passed the bill, realizing that that was the only way in which they could get any veterans' relief at all at that session, and the President promptly signed the measure.

That was legislation to all intents and purposes dictated by the administration and corresponding to the views of the very people who are now using it as the main argument against veterans' disability allowances and compensation of all kinds. I feel that under the circumstances, in view of the propaganda going through the country, it is necessary to call the attention of the Senate to that one simple fact.

I do not mean to discuss the title further at any length. I feel that arguments that have been advanced by my colleagues, and which have practically been concurred in by the able Senator from South Carolina [Mr. BYRNES] have shown the inadvisability of passing such far-reaching legislation or attempting to enact it at this time without any detailed study of the general situation. I feel that the proposal made by the other House and concurred in by the Senate committee, that a joint committee shall investigate the general situation and report back to the next session of Congress, is a wise one.

I freely concede that there are many things in existing veterans' legislation which are wrong and which ought to

be amended; I do not think there is any doubt about that; but before doing so I appeal to the Senate to give the matter some thought, to have a general plan laid down, some plan which may be concurred in by the majority of those who have devoted thought to this subject; and when that plan shall be submitted to the Senate, let us debate it on its merits.

Mr. McKELLAR. Mr. President, the Senator from Virginia [Mr. GLASS] a while ago stated, as I understood him, that these provisions did not apply to the sick and wounded soldiers. If he has that view, he is mistaken about it. Section 701 applies solely and alone to sick and wounded soldiers; section 702, "Veterans in institutions," applies solely and alone to sick and wounded soldiers; and section 703 applies alone to sick and wounded soldiers. Those are the three main provisions in this title.

Mr. President, I have been unable to express my views about the matter, and I am going to ask unanimous consent to submit as a part of my remarks, to be printed immediately after what I am now saying, the minority views on this bill as presented by the Senator from New Mexico [Mr. BRATTON] and myself.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

MINORITY VIEWS

We respectfully disapprove the provisions of Title VII and dissent from their inclusion in the measure. Through such provisions it is proposed to reduce the compensation of sick and disabled veterans of the World War approximately \$50,000,000 per annum. These reductions are effected by permanent changes in basic law. The body of existing law relating to compensation of such veterans has been constructed throughout a period covering about 17 years. During that time the Finance Committee of the Senate, not the Appropriations Committee, has dealt with all such matters. This committee has never exercised any jurisdiction over legislation of that character. Now, solely and exclusively under the guise of effecting economy, that being the single duty enjoined upon this committee, it is proposed that this committee shall review the whole corpus of the law covering compensation to disabled ex-service men and, predicated upon such review, to reduce such compensation about \$50,000,000 annually.

Assuming, but not conceding, that certain changes should be made in the law fixing rates of disability compensation, it is our conviction that such changes should be effected in the orderly and usual method, namely, through the enactment of bills considered by the Finance Committee, with full opportunity afforded representatives of veterans' organizations to appear and be heard. We should refrain from making such tremendous reductions in compensation to disabled ex-service men solely upon the ground of economy, that being the single factor which this committee is empowered to consider.

Citizens suffering disabilities resulting from military service in time of war can be differentiated on clear and tenable ground from employees of the Government, with no such disabilities and with a retired annuity upon which they can rely in old age. The two classes are dissimilar. One can be required to submit to a temporary reduction in salaries as a contribution during the existing period of financial stress, while, for the reasons previously stated, the other should not be obliged to bear the financial burden cast upon them in the manner and for the reasons to which we have adverted. The measure provides for a joint congressional committee to investigate the laws relating to compensation to veterans. That should be completed and the report made in December, 1932, before these revisions are effected.

With all other parts of the measure we are in full accord. It achieves economies aggregating about \$200,000,000 per year. In addition, broad power is conferred upon the President to consolidate, merge, and coordinate departments, bureaus, and commissions. Through the exercise of this power, additional savings of stupendous proportions can, and we have no doubt will, be effected. Rigid economy must be practiced in every department of Government. That can be done only through a comprehensive program of curtailment in departments, bureaus, and commissions, with sharp retrenchment in appropriations.

KENNETH McKELLAR.
SAM G. BRATTON.

Mr. ASHURST. Mr. President, I believe I did not secure permission to print in the RECORD certain matter relative to the names of those persons who are drawing emergency officers' retired pay. I have consulted with the Printing Committee and am advised that it will cost \$900 to print the list of names of those emergency officers. Therefore I will withdraw my request to print the list, and will say that Senators may find the list of the names of emergency offi-

cers drawing retired pay by consulting the RECORD of March 30 last.

The VICE PRESIDENT. The Senator from Arizona withdraws his request.

Mr. SMOOT. Mr. President, it is very refreshing indeed to hear a Senator even think about saving some money by refraining from having matter printed in the RECORD, and I congratulate the Senator from Arizona with all my heart.

Mr. ASHURST. I am always willing to receive congratulations.

Mr. SMOOT. Day after day the practice goes on here of printing in the RECORD matter costing \$100 in one case, \$200 in another, \$300 in another, \$700 in another, and so on. It is wicked; that is all.

The VICE PRESIDENT. The question is on the motion of the Senator from New Mexico [Mr. BRATTON] to strike out Title VII of the bill.

Mr. REED. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. GLENN (when his name was called.) I have a general pair with the junior Senator from Louisiana [Mr. LONG], who is necessarily absent, and therefore withhold my vote.

Mr. HATFIELD (when his name was called.) I have a general pair with the senior Senator from North Carolina [Mr. MORRISON]. Not knowing how he would vote if present, I withhold my vote. If permitted to vote, I should vote "yea."

Mr. McNARY (when his name was called.) On this question I have a pair with the junior Senator from Oklahoma [Mr. GORE]. Not knowing how he would vote, I withhold my vote.

Mr. ROBINSON of Indiana (when his name was called.) I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS]. I understand that if he were present he would vote as I expect to vote. Therefore I feel free to vote, and vote "yea."

Mr. SCHALL (when his name was called.) I have a pair with the Senator from Alabama [Mr. BLACK]. In his absence I withhold my vote.

Mr. WATSON (when his name was called.) I have a general pair with the Senator from South Carolina [Mr. SMITH]. In his absence I transfer that pair to the Senator from Connecticut [Mr. WALCOTT], and will vote. I vote "yea."

The roll call was concluded.

Mr. LA FOLLETTE. I have a pair for the day with the Senator from North Carolina [Mr. BAILEY]. I am unable to secure a transfer, and I am uninformed as to how the Senator from North Carolina would vote on this motion. I therefore withhold my vote. If at liberty to vote, I should vote "yea."

Mr. HATFIELD. I find that my general pair, the Senator from North Carolina [Mr. MORRISON], would vote as I intend to vote on this question. I therefore feel at liberty to vote, and vote "yea."

Mr. SCHALL. I am informed that the Senator from Alabama [Mr. BLACK], with whom I am paired, would vote as I shall vote. Therefore I am at liberty to vote. I vote "yea."

Mr. JONES. Making the same announcement as heretofore as to my pair and its transfer, I vote "yea."

Mr. McNARY. I wish to announce that the Senator from Ohio [Mr. FESS] has a general pair with the Senator from New York [Mr. COPELAND], and that the Senator from Delaware [Mr. HASTINGS] has a general pair with the Senator from Missouri [Mr. HAWES]. I am not advised how these Senators would vote on this question.

Mr. SHEPPARD. I desire to announce that the Senator from Oklahoma [Mr. GORE] and the Senator from Missouri [Mr. HAWES] are necessarily detained on official business.

Mr. WAGNER. I desire to announce that my colleague [Mr. COPELAND] is detained because of illness.

The result was announced—yeas 63, nays 14, as follows:

YEAS—63

| | | | |
|----------|---------|-----------|---------|
| Ashurst | Barbour | Bratton | Byrnes |
| Austin | Barkley | Broussard | Capper |
| Bankhead | Blaine | Bulkeley | Caraway |

| | | | |
|----------|--------------|----------------|---------------|
| Carey | Goldsborough | McGill | Shortridge |
| Cohen | Harrison | McKellar | Steiwer |
| Connally | Hatfield | Neely | Thomas, Idaho |
| Coolidge | Hayden | Norris | Thomas, Okla. |
| Costigan | Howell | Nye | Townsend |
| Couzens | Hull | Oddie | Trammell |
| Cutting | Johnson | Patterson | Tydings |
| Dale | Jones | Pittman | Wagner |
| Davis | Kean | Robinson, Ark. | Walsh, Mass. |
| Dill | Kendrick | Robinson, Ind. | Walsh, Mont. |
| Fletcher | Keyes | Schall | Watson |
| Frazier | Lewis | Sheppard | Wheeler |
| George | Logan | Shipstead | |

NAYS—14

| | | | |
|-----------|--------|---------|------------|
| Bingham | Glass | Metcalf | Vandenberg |
| Borah | Hale | Moses | White |
| Bulow | Hebert | Norbeck | |
| Dickinson | King | Reed | |

NOT VOTING—19

| | | | |
|-----------|-------------|----------|----------|
| Bailey | Glenn | Long | Stephens |
| Black | Gore | McNary | Swanson |
| Brookhart | Hastings | Morrison | Walcott |
| Copeland | Hawes | Smith | Waterman |
| Fess | La Follette | Smoot | |

So Mr. BRATTON's motion was agreed to.

Mr. JONES. Mr. President, I ask unanimous consent that the clerks may be authorized to correct the numbers of the titles and sections.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. LOGAN. Mr. President, yesterday I made a motion to reconsider the vote whereby the provision cutting salaries was adopted. It is perfectly evident that the Senate has not changed its mind, and I see no necessity of taking up the time of the Senate; so, if I may do so, I will withdraw the motion.

The VICE PRESIDENT. Without objection, the motion will be withdrawn.

Mr. GLASS. Mr. President, I renew the motion to reconsider the vote by which the Federal employees were reduced 10 per cent, with a view to having the whole problem referred to a committee of three to report next January.

The VICE PRESIDENT. The Senator may enter his motion.

Mr. LA FOLLETTE. Mr. President, I intend to move to reconsider the vote whereby the amendment offered by the Senator from New Hampshire [Mr. MOSES], the so-called furlough plan, was rejected. May I ask the Senator from Washington if it would be agreeable to him for me to make that motion now, or does he prefer to conclude the committee amendments?

Mr. JONES. I should like to conclude the committee amendments first.

The VICE PRESIDENT. The Senator enters the motion at this time?

Mr. LA FOLLETTE. I enter the motion.

Mr. JONES. Mr. President, there is a committee amendment on page 113.

The VICE PRESIDENT. The amendment will be stated.

The next amendment of the Committee on Appropriations was, on page 113, line 7, after the word "Sec.," to strike out "801" and insert "709"; in line 8, after the word "of," to strike out "seven" and insert "five"; in line 10, after the word "and," to strike out "seven" and insert "five"; and in line 21, after the word "the," to strike out "first Monday in December, 1932," and insert "1st of January, 1933," so as to make the section read:

Sec. 709. There is hereby created a joint congressional committee which shall be composed of five Members of the Senate, to be appointed by the President of the Senate, and five Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. Such committee shall conduct a thorough investigation of the operation of the laws and regulations relating to the relief of veterans of all wars and persons receiving benefits on account of service of such veterans and their dependents, and shall also report and recommend such economies as will lessen the cost to the United States Government of the Veterans' Administration. The committee shall report to the Senate and the House of Representatives not later than the 1st of January, 1933, the results of its investigation, together with such recommendations for legislation as it deems advisable.

The amendment was agreed to.

The next amendment was, on page 114, line 12, after the word "Title" to strike out "IX" and insert "VIII," so as to make the heading read:

TITLE VIII—SPECIAL PROVISIONS

The amendment was agreed to.

The next amendment was, on page 115, after line 2, to insert:

PROVISIONS OF PART 2 APPLICABLE TO APPROPRIATION ACTS FOR FISCAL YEAR 1933

SEC. 803. The provisions of part 2 herein are hereby made applicable to the appropriations available for the fiscal year 1933, whether contained in this act or in acts prior or subsequent to the date of the approval of this act.

The amendment was agreed to.

The CHIEF CLERK. Returning to page 58, a committee amendment passed over—

Mr. JONES. Mr. President, I have here a committee amendment which I should like to offer first.

The VICE PRESIDENT. The Senator from Washington offers an amendment, which will be stated.

The CHIEF CLERK. On page 54, line 18, strike out the word "section" and insert in lieu thereof the following:

act, and by the act of February 14, 1931 (Supp. V, U. S. C., title 5, sec. 73a).

The amendment was agreed to.

Mr. JONES. I have another committee amendment that I desire to offer.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. Also on page 56, line 16, after the word "automobile," it is proposed to insert a colon and the following proviso:

Provided, That where a change of station involves travel by Government transport, the private automobile of the individual may be transported on Government transport when space is available and it will not interfere with the normal operation of such transport service.

Mr. REED. Mr. President, I take it that the committee amendment just offered requires a reconsideration of the vote by which section 208 was agreed to.

The VICE PRESIDENT. It does. The Senator is correct.

Mr. REED. In that case I want to ask the Senate to consider seriously whether section 208 should be adopted, especially as qualified.

The VICE PRESIDENT. Consent has not been given to reconsider. Is there objection to reconsidering the vote whereby section 208 was agreed to?

Mr. BARKLEY. Reserving the right to object, what is that section about?

Mr. REED. It is the section which provides that no transportation at Government expense of the effects of officers shall be construed to include the transportation of an automobile.

That sounds like an important saving, but in the Army last year the entire amount spent on this item by the Government, including transportation on Government transports to stations overseas, was only \$3,000. The committee amendment now strikes out the provision for carriage by Government transports. It permits that to be done, in other words, and all that would be saved would be that minute amount for transportation otherwise than by Government transport.

We will suppose that an officer is ordered to duty with the regiment in Puerto Rico. No troop movements occur between continental United States and Puerto Rico, and consequently a transport would very seldom go there. The officer would have to pay for having his automobile carried for that short trip from continental United States to the island of Puerto Rico. It is in only a few cases like that where this section 208 would save any money.

I feel certain that, with the qualifications put on by the committee and through the pending amendment, the saving to the United States, as far as the Army is concerned, would be less than a thousand dollars a year; and that would come at the expense of officers whose pay and whose mileage and whose allowances are all being cut by this bill. I hope the committee will not, at the expense of that very small group of officers, see fit to put in this provision.

Understand, please, Mr. President, that in the matter of automobiles in continental United States, in 99 per cent of the cases the officer travels by automobile to his new station, and he carries in his automobile belongings and baggage for which the Government would otherwise have to pay freight. We would effect no economy there. It applies to a very small group of officers, and the saving is negligible, and I hope the committee amendment will be disagreed to.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator whether he has figures showing what would be the amount saved by incorporating the amendment?

Mr. REED. The committee is now proposing an amendment which would allow transportation of automobiles in Army transports. Without that permission the total amount saved would be \$3,000, based on last year's figures. I do not know how much would be saved after the adoption of the committee amendment, but it would certainly be less than \$3,000, and probably not as much as \$1,000. It would apply to only a few officers who are ordered to duty at places where Government transports do not go, such as Puerto Rico. It seems a pity to effect a saving of a thousand dollars at the expense of very few officers.

Mr. McKELLAR. Mr. President, if the amendment were cut out entirely, the War Department would be authorized to ship a car to any place in the United States by train.

Mr. REED. Yes; but nobody wants to do that.

Mr. McKELLAR. I know; but it seems to me that the language ought to go in, although I have no objection to the amendment which has been proposed.

Mr. REED. Mr. President, if the Senator will bear with me, at the present time the Army would have the right to send automobiles by train in the United States; and yet, although they have that right, the total spent in the whole fiscal year 1931 was less than \$3,000. So it is obvious that the right is not exercised within continental United States to any considerable extent.

Mr. JONES. Mr. President, I really think the amendment of the committee should stay in the bill. I am perfectly willing that the amendment which the Secretary of War has sent to us, with reference to the transportation of automobiles on transports, shall be adopted; but I am inclined to think that if we would hold out the inducement that they might carry automobiles here, there, and yonder the privilege would be very much abused.

Mr. FLETCHER. Mr. President, it seems to me as a practical matter that the only result of this would be to work a hardship on a few officers. They would individually have to pay for the transportation of their automobiles when they are ordered to duty, and I think the provision ought to be stricken out. I do not think it is fair, after all the reductions which have been made as to these officers, now to put them to the expense of paying for the carriage of their automobiles.

Mr. ROBINSON of Arkansas. Mr. President, I agree with the Senator from Florida. The amount involved is so trivial that it does not seem to me to justify the embarrassment and inconvenience which would result from the incorporation of the provision. It is represented that at most \$3,000 is involved and that the amendment which the committee proposes would reduce that probably to \$1,000. I do not see that it is worth while to adopt the amendment.

The VICE PRESIDENT. Is there objection to the request that the vote by which the amendment was agreed to be reconsidered? The Chair hears none, and the vote is reconsidered.

Mr. JONES. Mr. President, the Senate understands the situation pretty well, I think, and I will not offer an amendment to the amendment, but suggest that we vote directly on the committee amendment.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 56, after line 11, the committee proposes to insert the following:

SEC. 208. Hereafter no law or regulation authorizing or permitting the transportation at Government expense of the effects of

officers, employees, or other persons shall be construed or applied as including or authorizing the transportation of an automobile.

The amendment was rejected.

The VICE PRESIDENT. The clerk will state the next amendment passed over.

The CHIEF CLERK. On page 58 the committee proposes to strike out, after line 4, the following:

(b) This section shall not apply to officers on the emergency officers' retired list created by the act of May 24, 1928, and shall not apply to any person retired for disability incurred in line of duty.

Mr. REED. Mr. President, at the time that amendment was passed over attention was called to the fact that the committee amendment dealt only with an exception to the general rule established in the first part of the paragraph, and that there were certain amendments to be proposed to the general rule.

It does not seem intelligent to work on the exceptions until we have first decided what the rule shall be. Therefore I ask unanimous consent that amendments to paragraph (a) of section 211 may be considered before the committee amendment is acted on to paragraph (b).

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. REED. Mr. President, I send to the desk an amendment.

The VICE PRESIDENT. The amendment will be reported.

The CHIEF CLERK. On page 57, line 23, strike out "\$3,000" and the balance of that line, and strike out lines 24 and 25; and strike out, on page 58, line 1, down to and including the word "elect," and in lieu thereof insert: "the rate of pay and allowances which such person was receiving as such commissioned officer immediately before his retirement."

Mr. REED. Mr. President, a word of explanation. The provision as it was written by the House would have an effect which I will illustrate by typical cases.

In the case of a second lieutenant who was injured and retired, his retired pay would be about \$125 a month. That second lieutenant could go out and get civilian pay for another \$125 a month and he would still receive his full retirement allowance. But where a colonel is retired for wounds received in action, his retired pay would be more than \$3,000 a year, and consequently, under the committee provision, there is nothing he could do in working for the Government that would entitle him to a single penny more than his retired pay.

There are many cases of deserving officers who have been retired and are working for very small salaries to piece out their retirement pay, and they would all suffer under this provision, whereas those with the big salaries would not.

Mr. DILL. Mr. President, why does the Senator think that a man who is receiving more than \$3,000 a year retirement pay should be permitted to work for the Government and get more pay?

Mr. REED. It depends entirely on the value of the service he is rendering the Government.

Mr. DILL. Why, in the conditions which confront the country at this time, should we allow a man getting more than \$3,000 a year retirement pay to take a job away from somebody else who has no income?

Mr. REED. It may be that we could not find anybody else who could do the work competently. That is conceivable.

Take the scandalous cases that have been called to our attention in the Veterans' Bureau. Take the case of Maj. William Wolff Smith, who got a retired pay of \$187.50 a month, and that totaled \$2,275 a year. His civilian pay from the Veterans' Bureau was \$9,000 a year. Obviously, under either the House language or the amendment I have suggested, all of his retired pay would be denied him.

But, on the other hand, take some officer who perhaps has a family to support and finds his retired pay insufficient to support his family and put his children through school. He gets some humble Government job—I know one who is running an elevator in this building at this minute—to enable him to keep his wife and children. He would be

denied relief entirely by the provisions of the House text. Certainly, if a man has been disabled in line of duty in the service of his country it is not asking too much for him that he shall be permitted to piece out his retired pay so as to enable him to get a combined income equal to that which he was earning just before he was retired for disability. That is the effect of my amendment.

Mr. CONNALLY. Mr. President, may I ask the Senator a question?

Mr. REED. Certainly.

Mr. CONNALLY. Does the Senator's amendment provide that in addition to the three-quarters retired pay, the retired officer can then go outside and earn enough to bring his combined pay up to his old pay when in active service?

Mr. REED. Yes.

Mr. CONNALLY. The cases the Senator mentioned did not include such men as one of the District Commissioners. I understand the chief of police, too, is a retired Army officer drawing several thousand dollars a year retired pay.

Mr. REED. That is correct.

Mr. CONNALLY. And one of the Public Utility Commissioners is likewise a retired Army officer. It is not just that those men who are drawing all their large retired pay should be able to draw a full salary from the District government.

Mr. REED. Precisely. I quite agree with the Senator. Under the amendment I have proposed not one of those individuals would get a cent of retired pay.

Mr. CONNALLY. The amendment would allow him to get only what he was drawing from the Army before he retired. I think there is some merit in it.

Mr. REED. That is what it does. It allows the individuals spoken of their civilian pay and only denies them their retired pay.

Mr. DILL. Mr. President, the Senator's illustration of a man running an elevator in the Capitol is an illustration of what this will lead to. Here is a man getting more than \$3,000 a year retired pay, and yet he takes a job away from somebody else in order that he may get additional salary over and above the \$3,000 a year. It seems to me in these times the men drawing retired pay of more than \$3,000 are less deserving of piecing out their salaries than is the man who has not anything at all, who is out of a job and can not get any work at all.

Mr. REED. If we are going to apply that theory, we had better start with ourselves, and every one of us who has a little income on the outside had better resign so that somebody else may get elected to our jobs and draw our pay as Senators.

Mr. DILL. But we are not on the retired list yet.

Mr. REED. But we had better vacate our present jobs and let somebody else come here in our places.

Mr. DILL. But we are not supposed to be disabled.

Mr. REED. Precisely; but I am trying to apply the Senator's own logic to the Senator's own case.

Mr. DILL. It would not apply to me.

Mr. REED. If the Senator has, as I hope he has, an outside income, then the Senator ought to resign right away and let some one of the unemployed of the State of Washington come down here in his place. That is the logic of the Senator's position. I can not imagine that the Senator would apply a stiffer rule to the man disabled in his country's service than he would apply to himself.

Mr. DILL. If I had retired pay of more than \$3,000, I would not expect the Government to give me a job in order that I might make enough additional money from my Government job to make my retired pay and my salary in that job equal to what I was drawing before I retired.

Mr. REED. This is not going to correct that condition. Neither will the amendment discharge the retired man from the job he is filling. It is merely going to cut his pay.

Mr. TRAMMELL. Mr. President, may I ask the Senator from Pennsylvania a question?

Mr. REED. Certainly.

Mr. TRAMMELL. If an Army officer receives \$8,000 a year in active service, his retired pay is \$6,000 a year?

Mr. REED. That is correct.

Mr. TRAMMELL. Therefore he would be able to hold a position in the Government, and in order to be precluded from it his salary must exceed \$8,000; that is, the combination of his salary and his retired pay.

Mr. REED. If he earns more than \$2,000 in his civilian position, and presumably a general would earn more than that, then for every cent that he earns over \$2,000 in his civilian position we would abate an equal amount from his retired pay so that if he got \$8,000 in his civilian position, as the District officials are getting who were named by the Senator from Texas [Mr. CONNALLY], he would be denied every penny of his retired pay.

Mr. TRAMMELL. The effect of the Senator's amendment would be to enlarge the latitude of opportunities for a retired officer with a considerable amount of retired pay, because under the provisions of the bill as at present it would not affect those who were not drawing such large amounts of retired pay. Plainly speaking, the Senator's amendment is in favor of the officers drawing the larger amounts of retired pay.

Mr. REED. Oh, no; I do not think so. It would apply, for example, to any officer getting \$250 per month of retired pay. A captain with over 21 years of service would get more than that in retired pay. I am sure the Senator does not mean to penalize the captain wounded in action in France who is able to pick up a little by working now in a civilian occupation.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator a question?

The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield to the Senator from Arkansas?

Mr. REED. I yield.

Mr. ROBINSON of Arkansas. What difference will the Senator's amendment make in the amount that is presumed to be saved by the provisions in the bill?

Mr. REED. Necessarily it is only an estimate, but I doubt if we would save more than \$50,000 or \$100,000 from this group of disabled officers. The saving we are making on these Army officers comes principally from those in active service. Remember, please, Mr. President, that all of them are being reduced 10 per cent, and that applies to the retired officers of whom I am speaking as well as the officers on active duty.

Mr. ROBINSON of Arkansas. But the Senator has not answered my question.

Mr. REED. I can not answer it specifically, but I should estimate the saving at not more than \$100,000.

Mr. CONNALLY. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield to the Senator from Texas?

Mr. REED. I yield.

Mr. CONNALLY. The Senator is chairman of the Committee on Military Affairs. Will this bill take care of the man who retires during the pendency of these cuts, and will he be restored to his full retirement pay after the end of the one year? I had an inquiry of that kind and I am interested to know.

Mr. REED. As I understand the language of the bill, the cut in retirement pay of 10 per cent applies only to the one year, but the provisions in section 211, which I have been discussing, apparently are permanent in their effect.

Mr. CONNALLY. That is the point to which I want to invite the attention of the Senator. If an officer retires during this one year he will only get three-quarters retired pay less 10 per cent. The general law provides that he continues to draw that retired pay. I want to be sure that his right to the increase would expire with the one year. I think the Senator, as chairman of the Committee on Military Affairs, ought to investigate that.

Mr. REED. I see the burden of the Senator's question. An officer on the active list now who is retired during the course of the next fiscal year might, according to a possible interpretation, get for the rest of his life only three-quarters of his pay as reduced.

Mr. CONNALLY. I do not know whether that is covered specifically, but I wanted to call it to the attention of the Senator.

Mr. REED. I am obliged to the Senator for the suggestion, because I am sure that nobody intends that to be done.

Mr. CONNALLY. But the operation of the language of the provision may have that effect.

Mr. REED. Mr. President, I hope the Senate will agree to the amendment. An estimate of its exact effect and its cost to the Treasury can be prepared at once and can be in the hands of the conferees by the time they meet. I am sorry that in the pressure of work on the Army appropriation bill and the revenue bill I have not had time to get it, but I am quite certain it will not exceed \$100,000. But I beg the Senate to hesitate before putting that cumulative cut on this group, which is being so savagely cut by the other sections of the bill. We are cutting their active pay; we are cutting their retired pay; we are cutting their allowances for rent and subsistence; we are cutting their mileage. We are cutting them right and left. I am not going to criticize any of the other cuts made in the Army, but this is one which applies with such unequal force to the small group that I think it is most unfortunate. I hope the Senate will accept the amendment.

Mr. HALE. Mr. President, does the Senator think it will cost the Government about \$100,000?

Mr. REED. It will not increase the cost.

Mr. HALE. I think on the contrary the Senator's amendment will probably bring money into the Government Treasury. If a man has a retired salary of \$3,000, his pay before retirement would necessarily have been \$4,000. If he should get a position with the Government at an annual salary of \$4,000, under the provisions of the bill he would not be allowed to take any of his retired pay. In other words, he would not take the job. But if he were allowed to get an additional \$1,000 to add to the \$3,000 of retired pay, he probably would take the job and the Government would save \$2,000.

Mr. REED. I think it likely that in some cases it would work out that way. In any event, whether it is a saving or a cost, it is very slight in either event. It comes with exceptional hardship on a small group that deserve our gratitude and not our punishment.

Mr. FLETCHER. Mr. President, I think the statement of the Senator from Pennsylvania is quite clear and that his amendment would accomplish what is reasonable and just and fair to the officers who would come within the provision. I hope the Senate will agree to the amendment.

Mr. DILL. Mr. President, the Senator's amendment is simply a proposal to allow these retired Army officers to work for the Government in some capacity after they have retired from their regular work on three-quarters pay and to earn enough money to bring back to them their regular pay when they were in the active service, and this in a time when there are millions of people in the country who have no income at all because they can not get work.

I have no criticism of the men who have retired from the Army on three-quarters of their regular pay going out and making money wherever they can in civilian life, but I certainly am opposed to having those officers who have reached that position where they have retired from the Army service, going back into the Government service and taking jobs away from people who have no incomes whatever. I think when the Government provides for them after their retirement to the extent of three-quarters of the pay they received on active duty, we are doing a great deal for them in a time like this when so many millions of our people have not any income whatsoever.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Pennsylvania.

On a division, the amendment was agreed to.

Mr. BARKLEY. Mr. President, I desire to call the attention of the Senator from Washington [Mr. JONES] and of

Members of the Senate generally to the provision contained in the amendment at the bottom of page 49 and the top of page 50, which has already been adopted by the Senate, and which will be in conference between the House and the Senate when this bill shall pass. I am informed that the Senate committee in making this proposal that on and after June 20, 1932, no officer or employee of the Federal Farm Board, and several other boards mentioned in the amendment, shall receive more than \$10,000 per annum, acted on the theory that, notwithstanding at various times heretofore Congress has fixed a different and in some cases a higher salary than that received by Members of Congress, it was the desire of the committee to limit all public salaries so that no public officer would receive a larger compensation than that drawn by a Member of the United States Senate; but that out of that list the Administrator of Veterans' Affairs was eliminated so that he may be the only public officer in the United States who will draw more salary than does a Member of the Congress.

In the first place, I seriously doubt whether that is a wise criterion by which to fix the salaries of public officers. Men who come to this body come in order to gratify an ambition or to make a career. Some of us are deluded into the belief that we are rendering public service which compensates for the loss of income which the same amount of work in private life would undoubtedly bring to us. But many of the men who are drawn into the public service do not come into it with that particular motive. I happen to be acquainted with the circumstances under which the chief counsel, for instance, of the Federal Farm Board came to Washington. He is an able lawyer; he did not apply for the position; but, because of his previous experience as an attorney for cooperative farm organizations, he was invited to come here as assistant at the time to the chief counsel of the Federal Farm Board with the understanding that he would be made the chief counsel. At the time he came he was earning more than \$20,000 a year in the practice of law, and had a retainer from one firm amounting to \$12,000 a year, all of which he had to give up; all of which he did give up. Since he came into this position his compensation has been increased by the Farm Board, under the authority which it had, from \$10,000 a year, which he at first received, to \$20,000 a year.

I do not know what really would be a fair criterion of compensation for the Government to establish in the case of men who give up private business or private law practice in order to engage in a service for the Federal Government, but under this amendment it is proposed to cut by 50 per cent the amount of compensation that is being drawn by the chief counsel, for instance, of the Federal Farm Board, which, whatever we may think of the wisdom of its activities, has dispensed \$500,000,000 of the people's money in an effort, at least, to bring some relief to agriculture. The extent of the success of that effort is not a question for me to discuss now, though it may be a subject for legitimate discussion in another form later.

Mr. WALSH of Massachusetts. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from Massachusetts?

Mr. BARKLEY. I yield.

Mr. WALSH of Massachusetts. Does the Senator from Kentucky know whether the committee made any inquiries in regard to the matter or took any steps to abolish the Farm Board?

Mr. BARKLEY. I do not know about that; I have not heard whether or not they did so; but I assume they did not.

Mr. WALSH of Massachusetts. I have a more insistent demand from my State and that general section of the country for such action than for action cutting salaries and reducing the compensation of veterans.

Mr. BARKLEY. That question has arisen in the Congress and the effort to abolish the Federal Farm Board was defeated on a roll-call vote in another body.

I have offered no amendment to the committee amendment, and I, of course, have no intention now of doing so; but I am calling the matter to the attention of the Senate

and of members of the Appropriations Committee, in the hope that when this amendment shall go to conference between the other House and the Senate they may be able to work out a provision that will make it possible for able men who have made sacrifices in order that they may serve the Government to continue in the service of the United States. I understand that this whole problem will be a matter of conference between the two Houses, and I hope that the chairman of the committee and members of the Committee on Appropriations, especially members of the conference committee, will consider whether they have acted with wisdom in bringing about a situation where it may be necessary for a man who did not apply for a Government position, who was, in a sense, drafted for public service, who is not a politician, who did not seek any appointment but sacrificed at least half his annual income in coming here, may be retained in the public service, especially where it does not involve any great amount of money on the part of the Government but does involve quite a sacrifice on the part of the official.

Mr. SHORTRIDGE obtained the floor.

Mr. FLETCHER. Mr. President, will the Senator allow us to complete the matter we had under consideration with reference to the limitation as to retired pay?

Mr. SHORTRIDGE. I will yield the floor if I may be recognized later.

The PRESIDENT pro tempore. The pending amendment will be stated.

The CHIEF CLERK. On page 58, the committee proposes to strike out lines 5 to 8, inclusive, and the Senator from Florida offers an amendment, on page 58, beginning at line 5, to insert:

(b) This section shall not apply to any person retired for injuries received in battle or disability incurred in line of duty.

Mr. FLETCHER. I suggest instead of the word "battle," that the word "action" be inserted, so that it will read "received in action." That might be more appropriate.

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from Florida, as modified.

Mr. GEORGE. It is difficult to see any reason for that amendment now when an officer may receive the full amount of the pay he was receiving before retirement in any event.

Mr. FLETCHER. I do not see why an officer who has been actually wounded in action should not be permitted to get his retired pay, and, at the same time, if he can find some work outside to help out, may not be permitted to receive compensation for that also.

Mr. GEORGE. Under the section as amended, I will say to the Senator from Florida, the officer would receive his retired pay and the Government salary provided the two combined did not exceed the active pay which he was receiving before his retirement.

Mr. FLETCHER. Yes; but that might be quite small. He might not be an officer of high rank getting a very large retired pay; he might be a junior officer who received wounds in action, and his retired pay may be very small, not enough to live on.

Mr. GEORGE. It does seem to me that it is wholly unjustified to give to an officer retired on account of disability or age a Government position and full retired pay without any limitation whatever on it or on the amount of the two combined compensations that he may receive.

Mr. REED. Mr. President, if the Senator will permit a suggestion, I think the Senator from Georgia is right with regard to the senior officers, but to a youngster, a lieutenant, who was wounded in action—and there are many, many of them—the change made by my amendment to the preceding paragraph would not be of any substantial help, whereas the amendment offered by the Senator from Florida would take care of those young men. I hope it will be adopted. It will not make things any worse from anybody's standpoint for the older officers and it will help the deserving youngster.

Mr. GEORGE. I think it is not justifiable to permit officers to retire on three-quarters pay and then bring them into the service of the Government without any limitation

or restriction whatever upon the combined compensation that they may receive. I recall that when a Commissioner of the District of Columbia was appointed some of us opposed his confirmation, and I dare say now that his confirmation was in the direct teeth of the statute governing the case, but he was given a high salary here in the District and permitted to enjoy his full retired pay.

Mr. REED. All of those cases will be cured by the section as it stands. Those officers will not receive a penny.

Mr. GEORGE. That case was affected by general act applicable to officials of the District of Columbia, and yet that officer was confirmed because he happened to have been a good officer and popular, notwithstanding the fact that, in my judgment, a statute was directly applicable to him. I concede that in some instances there might be an officer of minor rank who was wounded and retired on account of disability actually incurred in battle who should have an opportunity to come into the employment of the Government; but if the salary attached to the office was very high he could afford to forego his retired pay, and if that salary is not high he can draw an amount that will not exceed the salary he was receiving before retirement.

Mr. FLETCHER. The point is, Mr. President, that in the case of the higher salaries and the higher officers getting over \$250 a month, for instance, they can only get the original pay, which perhaps would be enough to support them; but in the case of a lieutenant who has had his leg shot off or his arm shot off, who has been wounded in action and retired on \$125 a month, I see no reason why he should be prohibited from getting more than \$125 a month.

Mr. REED. Mr. President, will the Senator yield for a suggestion?

Mr. FLETCHER. Yes.

Mr. REED. I hope the Senator's amendment will be adopted. I think we are in danger of being misled by giving our attention too much to high-salaried officials. They do not constitute the great mass of the officers who would be affected by this section. As far as the high-ranking officers go, we are taking away every cent of their retired pay; and what we are doing to these humbler men is, I think, something we ought to think about. In our civil service law we give a preference to veterans in the matter of getting into the Government employ; and that certainly is something we do not want to discourage. If we adopt the same policy and the same generous attitude toward officers in the humbler ranks, we ought not to make it impossible for them to get the pay for the work they do if they are retired for wounds received in action or disability incurred in line of duty.

Mr. FLETCHER. I think there can be no question about that.

Mr. SHORTRIDGE. Mr. President, I wish to have taken up for consideration the motion I have made, although if there is an amendment pending which ought to be disposed of I will yield.

The PRESIDENT pro tempore. There is an amendment pending proposed by the senior Senator from Florida.

Mr. TRAMMELL. Mr. President, I wish to say a word about that amendment.

I am sure that it was not the intention of the Senator from Pennsylvania to make even more harsh the restriction upon an officer of the lower rank than as applied to him in the text of the bill; but, as I construe his amendment, it circumscribes to a greater extent his opportunity to hold a public position at a salary of as much as \$3,000 a year than did the text before his amendment was adopted.

Mr. REED. Exactly, and that is why I am anxious that the amendment of the Senator's colleague should now be adopted.

Mr. TRAMMELL. I say that for this reason: Under the text of the bill a second lieutenant or a first lieutenant could have a combined salary, before he was inhibited from drawing his full amount of retired pay, of as much as \$3,000; but under the amendment which the Senator from Pennsylvania proposed we will say that he was receiving a salary for active service of \$200 a month. His retirement pay

would be \$150 a month. He obtains a Government position. Under the amendment offered by the Senator from Pennsylvania his total salary could not exceed \$200 per month, because the combined salary of his governmental employment and his retired pay is not to be in excess of his active pay in the military service, which was \$200.

Mr. REED. That is exactly what I want.

Mr. TRAMMELL. So the operation of the amendment which has been adopted heretofore will militate in favor of the officer with high rank upon retirement at a considerable sum, and will militate to the disadvantage of the low-ranking officer.

Mr. REED. If the Senator will yield to me—

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Florida [Mr. FLETCHER].

On a division, the amendment was rejected.

The PRESIDENT pro tempore. The question now is on agreeing to the amendment proposed by the committee.

Mr. TRAMMELL. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. TRAMMELL. The amendment which was proposed by the Senator from Pennsylvania, and which has been adopted, instead of accomplishing the purpose for which he contended, is going to have directly the opposite effect on all retired officers who are not of high rank and drawing a large salary in active service. I do not think we ought to let an amendment of that kind stand. If it is in order, I desire to make a motion to reconsider it.

The PRESIDENT pro tempore. Did the Senator from Florida vote in the affirmative?

Mr. TRAMMELL. I am not sure how I voted. That is immaterial where there is no record vote.

The PRESIDENT pro tempore. That is correct. The Senator enters a motion to reconsider.

Mr. REED. Mr. President, if the Senator will withhold his motion a moment, may I suggest that exactly the same result will be secured by disagreeing to the committee amendment striking out the House language in paragraph (b); and I hope that will be done.

Mr. FLETCHER. Mr. President, all of my colleague's argument supports the amendment which I offered, and yet he did not vote for it.

Mr. TRAMMELL. I dislike very much to disagree with my colleague; but, as I understood my colleague's amendment, he sought to lift out of the class of officers at whom this amendment was directed only a favored class, and leave the others in the same situation in which they were theretofore.

Mr. FLETCHER. No; the amendment I offered was to equalize the situation so as to take care of the lower-paid officers, relieving them from that limitation.

Mr. TRAMMELL. I rather agree with my colleague in one respect. Most of the officers who were wounded were second lieutenants or captains. I do not think very many officers of higher rank were wounded in active duty.

Mr. FLETCHER. Anyhow, as the Senator from Pennsylvania has suggested, if we disagree to the committee amendment we will accomplish the desired result.

Mr. GEORGE. Mr. President, that is exactly what we voted on. If Senators want to take a long time in discussing this matter now, I merely wish to say that that is exactly what we voted on.

Mr. FLETCHER. No; we have not voted on that.

Mr. GEORGE. Yes; that is exactly what it means. It will mean precisely what the amendment meant which was offered by the Senator from Florida and which has already been voted down, except that it would be a little broader. Not only would it take in officers who suffered from actual battle wounds, but it would take in officers who suffered from any other disability which arose in line of duty.

Mr. FLETCHER. I hope the committee amendment will be defeated.

The PRESIDENT pro tempore. The question is on the amendment proposed by the committee.

Mr. REED. Mr. President, I am perfectly certain that the Senate does not understand the issue here.

The amendment on which we are now voting will benefit those junior officers who were retired for real disability. The Senate somehow got the impression that it will benefit only some of them. It must benefit them all. A second lieutenant can not be retired for age. There are not any 64-year-old second lieutenants. All of the arguments about giving this to these men who retire for something other than disability incurred in line of duty can not apply to these junior officers. They have to be disabled in order to be retired. So to reject the committee amendment, as urged by the Senator from Florida, will directly benefit only those junior officers who are retired for real disability.

Mr. DILL. Mr. President, what amendment are we about to vote on now?

The PRESIDENT pro tempore. The pending question is on the committee amendment on page 58, beginning with line 5, to strike out lines 5 to 8, inclusive.

Mr. DILL. If we agree to that amendment, then this provision does not apply.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the committee.

On a division the amendment was agreed to.

Mr. JONES obtained the floor.

Several Senators addressed the Chair.

The PRESIDENT pro tempore. To whom does the Senator from Washington yield?

Mr. JONES. I desire to make a statement, Mr. President. We can not finish this bill to-night.

Mr. McKELLAR. Why not?

Mr. JONES. For reasons which I do not care to state publicly, I think we ought to adjourn now.

Mr. McKELLAR. Adjourn or recess?

Mr. JONES. I have an engagement with the President to-morrow at 11 o'clock which I made two or three days ago. I think we want a morning hour and I think the Senate will be glad to adjourn until 11 o'clock.

Mr. McKELLAR. We are within just an amendment or two of finishing the bill.

Mr. JONES. No; we can not finish the bill now when we want to get away. I can tell the Senator something about it privately.

Mr. COSTIGAN. Mr. President, will the Senator yield for a minor amendment?

Mr. JONES. I would rather let the minor amendment go until to-morrow. We can not finish the bill to-day.

Mr. BINGHAM. Mr. President, will the Senator yield to me?

Mr. JONES. For what purpose?

Mr. BINGHAM. I desire to offer an amendment and have it printed and lie upon the table.

Mr. JONES. Very well.

The PRESIDENT pro tempore. Without objection, the amendment will be received, printed, and lie upon the table.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore, as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

"INVESTIGATIONS PAY"

Mr. ASHURST. Mr. President—

Mr. JONES. I yield to the Senator from Arizona.

Mr. ASHURST. Since I have been commended for withholding from the Record a matter that would have cost the Government some \$900 for printing it, I ask to have read by the clerk a short editorial from the Washington Daily News entitled "Investigations Pay."

The PRESIDENT pro tempore. Without objection, the clerk will read as requested.

The Chief Clerk read as follows:

[From the Washington Daily News of Tuesday, June 7, 1932]

INVESTIGATIONS PAY

Senate investigations pay. Hostile propagandists for several years have been trying to persuade the public that these investigations are not only unnecessary interference with business and

with more-sinned-against-than-sinning citizens, but that they are also a great waste of Government money in a time calling for economy.

A check on Treasury Department collections resulting directly from the Senate Nye committee disclosures—a by-product of the original oil scandals inquiry—shows that these investigations have been profitable financially as well as morally.

First, there was an estimated Government saving of three-fourths of a billion dollars in recapture of oil resources in the Teapot Dome inquiry.

Now the Treasury has collected \$3,669,784 from Henry M. Blackmer, self-exiled oil magnate, for evaded income taxes; \$60,000 from Blackmer for contempt of court; \$606,097 from Blackmer and the three other principals of the illusive Continental Trading Co. for corporation income taxes, and \$1,398,910 from an unnamed individual not connected with Continental whose income was discovered in the course of the investigation. In addition the Government is about to collect approximately \$1,250,000 of personal income taxes from Harry Sinclair, Robert W. Stewart, and the James O'Neill estate.

The cost to the taxpayers for this Continental investigation by the Nye committee was only \$25,000.

ADJOURNMENT

Mr. McNARY. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Oregon?

Mr. JONES. I do.

Mr. McNARY. In view of the statement of the Senator from Washington, I think it is desirable to have a morning hour to-morrow; and I therefore move that the Senate adjourn until 11 o'clock to-morrow morning.

Several Senators addressed the Chair.

The PRESIDENT pro tempore. The motion is not debatable. The question is on the motion of the Senator from Oregon.

The motion was agreed to; and (at 5 o'clock and 40 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, June 8, 1932, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate June 7 (legislative day of June 1), 1932

PROMOTIONS IN THE NAVY

Commander Ronan C. Grady to be a captain in the Navy from the 1st day of May, 1932.

Lieut. Commander Rivers J. Carstarphen to be a commander in the Navy from the 1st day of December, 1931.

Lieut. Commander Robert A. Hall to be a commander in the Navy from the 1st day of June, 1932.

Lieut. Harry R. Hayes to be a lieutenant commander in the Navy from the 4th day of December, 1931.

Lieut. Andrew Crinkley to be a lieutenant commander in the Navy from the 1st day of February, 1932.

Lieut. Arthur H. Cummings to be a lieutenant commander in the Navy from the 1st day of March, 1932.

Lieut. (Junior Grade) John D. Kelsey to be a lieutenant in the Navy from the 1st day of March, 1931.

Lieut. (Junior Grade) Joseph E. Chapman to be a lieutenant in the Navy from the 30th day of June, 1931.

Lieut. (Junior Grade) Philip H. Jenkins to be a lieutenant in the Navy from the 13th day of February, 1932.

Lieut. (Junior Grade) Paul C. Treadwell to be a lieutenant in the Navy from the 1st day of March, 1932.

Lieut. (Junior Grade) David L. Nutter to be a lieutenant in the Navy from the 1st day of April, 1932.

Lieut. (Junior Grade) William J. Mullins to be a lieutenant in the Navy from the 1st day of June, 1932.

The following-named ensigns to be lieutenants (junior grade) in the Navy, from the 6th day of June, 1932:

Leslie E. Richardson.

Joseph B. Berkley.

Charles E. Trescott.

Claude V. Ricketts.

George H. Wales.

Richard C. Lake.

Delos E. Wait.

William H. McClure.

Robert A. Heinlein.

George W. Ashford.

Leonard T. Morse.

Laurence C. Baldauf.

Robert B. McCoy.

MacDonald C. Mains.

Mathias B. Wyatt.

Howard R. Garner.

Frank Novak.

Harold E. Karrer.

Thomas P. Wilson.

Ralph C. Lynch, jr.

Caleb B. Laning.

Carl A. Peterson.

Charles T. Fitzgerald.
David T. Ferrier.
Oliver G. Kirk.
Roy Jackson.
Guy P. Garland.
Earl T. Schreiber.
Roy L. Johnson.
John A. Collett.
John F. Davidson.
William W. White.
Reynold D. Hogle.
William H. Watson, jr.
Harvey D. Akin.
Edwin P. Martin.
Goldsborough S. Patrick.
Granville C. Briant.
Charles H. Crichton.
Lloyd H. Jones.
Seraphin B. Perreault.
Frederic S. Keeler.
Robert N. S. Clark.
Harry N. Coffin.
Gustave N. Johansen.
George K. Carmichael.
Frank P. Mitchell, jr.

Ensign Robert W. Coffey to be a lieutenant (junior grade) in the Navy from the 7th day of June, 1932.

The following-named surgeons to be medical inspectors in the Navy, with the rank of commander, from the 1st day of November, 1931:

Howard A. Tribou.
Thomas A. Fortescue.
Ruskin M. Lhamon.

The following-named passed assistant surgeons to be surgeons in the Navy, with the rank of lieutenant commander, from the 30th day of June, 1931:

Francis H. Webster.
Colvin B. Childs.

Radio Electrician Philip R. Zimmerman to be a chief radio electrician in the Navy, to rank with but after ensign, from the 3d day of March, 1932.

Midshipman Thomas M. Fleck to be an ensign in the Navy, revocable for two years, from the 2d day of June, 1932.

Commander Hamilton F. Glover to be a captain in the Navy from the 1st day of June, 1932.

MARINE CORPS

First Lieut. Paul A. Lesser to be a captain in the Marine Corps from the 1st day of June, 1932.

Second Lieut. William D. Saunders, jr., to be a first lieutenant in the Marine Corps from the 1st day of June, 1932.

Second Lieut. David M. Shoup to be a first lieutenant in the Marine Corps from the 1st day of June, 1932.

Lieut. Col. Chandler Campbell to be a colonel in the Marine Corps from the 29th day of October, 1931.

Capt. Roswell Winans to be a major in the Marine Corps from the 1st day of June, 1932.

Ensign Henry T. Klinkseik, United States Navy, to be a second lieutenant in the Marine Corps, revocable for two years, from the 2d day of June, 1932.

POSTMASTERS

ALABAMA

James A. Fant to be postmaster at Crossville, Ala., in place of H. T. Graves, deceased.

ARKANSAS

Glaucus P. Russell to be postmaster at Grady, Ark., in place of J. E. Bittinger. Incumbent's commission expired April 23, 1932.

CALIFORNIA

Morgan J. Kavanagh to be postmaster at Trona, Calif., in place of G. N. Purington, resigned.

Daniel Carlson.
Edward J. Burke.
John P. Rembert, jr.
Allan McL. Gray.
Robert W. Denbo.
John Raby.
Alexander H. Hood.
Roderick S. Rooney.
Edward C. Stephan.
Jacob W. Britt.
Emery Roughton.
Carl A. Johnson.
Charles E. Brunton.
George L. Kohr.
James L. Foley.
George A. Sharp.
John V. McAlpin, jr.
Leroy C. Simpler.
Thurlo W. Davison.
Claude W. Stewart.
Carl G. Christie.
Albert H. Wotton.
Milton C. Dickinson.
Awtrey L. Bond.

FLORIDA

Harry R. Moyer to be postmaster at Fort White, Fla., in place of R. F. Persons. Incumbent's commission expired April 2, 1932.

Esther M. Stewart to be postmaster at Graceville, Fla., in place of Sallie Brook. Incumbent's commission expired April 2, 1932.

William O. Lester to be postmaster at Zephyrhills, Fla., in place of M. M. Maner. Incumbent's commission expired December 21, 1930.

GEORGIA

William R. Chapman to be postmaster at Crawfordville, Ga., in place of R. B. Edwards, resigned.

Thomas M. Goodrum to be postmaster at Newnan, Ga., in place of W. C. McBride. Incumbent's commission expired February 14, 1931.

ILLINOIS

Ernest D. Graeff to be postmaster at Elkhville, Ill., in place of Mercy Thornton, resigned.

IOWA

George E. Missildine to be postmaster at Galva, Iowa, in place of William Molloy. Incumbent's commission expired December 19, 1931.

KANSAS

Luella Meredith to be postmaster at Hill City, Kans., in place of Luella Meredith. Incumbent's commission expired December 19, 1931.

Susie J. Gibbons to be postmaster at St. Paul, Kans., in place of S. J. Gibbons. Incumbent's commission expired May 12, 1932.

KENTUCKY

Annie C. Justice to be postmaster at Allensville, Ky., in place of A. M. Coleman. Incumbent's commission expired February 27, 1932.

Willard Gabhart to be postmaster at Harrodsburg, Ky., in place of S. C. Beardsley. Incumbent's commission expired February 11, 1931.

Myra B. Grimes to be postmaster at Millersburg, Ky., in place of T. H. Brown, deceased.

LOUISIANA

Nettie Sojourner to be postmaster at Amite, La., in place of Nettie Sojourner. Incumbent's commission expired May 2, 1932.

MARYLAND

Stanley M. Barrett to be postmaster at Havre de Grace, Md., in place of H. A. Carroll. Incumbent's commission expired March 20, 1932.

MICHIGAN

Hugh S. Dodge to be postmaster at Comstock Park, Mich., in place of Dana Stowell. Incumbent's commission expired December 15, 1931.

Joseph W. Greenhalgh to be postmaster at Pontiac, Mich., in place of C. A. Harris, deceased.

MINNESOTA

William G. Early to be postmaster at Eyota, Minn., in place of W. G. Early. Incumbent's commission expired January 15, 1931.

Emil C. Kiesling to be postmaster at Murdock, Minn., in place of E. M. Ashbaugh, deceased.

MISSISSIPPI

Mamie Z. Lewis to be postmaster at Fayette, Miss., in place of B. F. Truly. Incumbent's commission expired December 17, 1931.

Louie D. Minter to be postmaster at Piave, Miss., in place of B. J. Smith, resigned.

MISSOURI

Fred Robinette to be postmaster at Bolckow, Mo., in place of Fred Robinette. Incumbent's commission expired May 26, 1932.

NEBRASKA

Adam McMullen to be postmaster at Beatrice, Nebr., in place of Robert Pease. Incumbent's commission expired December 19, 1931.

Frank Ainsworth to be postmaster at Exeter, Nebr., in place of H. V. Ingram. Incumbent's commission expired May 12, 1932.

NEW YORK

Arthur L. Harvey to be postmaster at North Syracuse, N. Y., in place of H. J. Thorp, removed.

John A. Scheuermann to be postmaster at West Albany, N. Y., in place of W. S. Frischknecht, removed.

NORTH CAROLINA

Wade H. Kinlaw to be postmaster at Lumberton, N. C., in place of W. H. Kinlaw. Incumbent's commission expired February 1, 1931.

Joseph M. Carstarphen to be postmaster at Tarboro, N. C., in place of J. M. Carstarphen. Incumbent's commission expired March 3, 1931.

NORTH DAKOTA

Nelson M. Chamberlain to be postmaster at Page, N. Dak., in place of N. M. Chamberlain. Incumbent's commission expired December 19, 1931.

OHIO

Orea P. Brown to be postmaster at College Corner, Ohio, in place of J. R. Williams, deceased.

Hosea A. Spaulding to be postmaster at Delaware, Ohio, in place of H. A. Spaulding. Incumbent's commission expired May 10, 1932.

Harold E. Woolson to be postmaster at Laurelville, Ohio, in place of E. L. Alstadt. Incumbent's commission expired February 17, 1932.

John F. Adams to be postmaster at Lisbon, Ohio, in place of J. F. Adams. Incumbent's commission expired April 9, 1932.

William D. Dunifon to be postmaster at Van Wert, Ohio, in place of O. W. Priddy. Incumbent's commission expired May 29, 1932.

OKLAHOMA

Otto S. Allred to be postmaster at Boynton, Okla., in place of O. S. Allred. Incumbent's commission expired December 15, 1931.

Milus C. Mhoon to be postmaster at Durant, Okla., in place of M. C. Mhoon. Incumbent's commission expired March 3, 1931.

Opal M. Ham to be postmaster at Jennings, Okla., in place of C. F. Ham, deceased.

PENNSYLVANIA

Roland H. Wright to be postmaster at Lincoln University, Pa., in place of J. S. Gillingham, deceased.

John J. Mack to be postmaster at Philadelphia, Pa., in place of Thomas McLeister, deceased.

RHODE ISLAND

Thomas D. Goldrick to be postmaster at Pascoag, R. I., in place of T. D. Goldrick. Incumbent's commission expired February 28, 1932.

SOUTH CAROLINA

Jacob M. Bedenbaugh to be postmaster at Prosperity, S. C., in place of J. M. Bedenbaugh. Incumbent's commission expired February 14, 1931.

SOUTH DAKOTA

Benjamin D. Kidman to be postmaster at Big Stone City, S. Dak., in place of B. D. Kidman. Incumbent's commission expired May 26, 1932.

Louis E. Castle to be postmaster at Britton, S. Dak., in place of L. E. Castle. Incumbent's commission expired December 17, 1930.

Hattie L. Meyer to be postmaster at Florence, S. Dak., in place of H. L. Meyer. Incumbent's commission expired May 26, 1932.

Lucy Wright to be postmaster at Hoven, S. Dak., in place of Lucy Wright. Incumbent's commission expired May 26, 1932.

Charles E. Dieter to be postmaster at Pierpont, S. Dak., in place of Clarence Mork, removed.

John W. Rydell to be postmaster at Rosholt, S. Dak., in place of J. W. Rydell. Incumbent's commission expired May 10, 1932.

Leroy F. Lemert to be postmaster at Spencer, S. Dak., in place of L. F. Lemert. Incumbent's commission expired May 26, 1932.

John F. Whittemore to be postmaster at Yankton, S. Dak., in place of Olof Nelson, deceased.

TENNESSEE

Filbert G. McIlwain to be postmaster at Holladay, Tenn. Office became presidential July 1, 1929.

James A. Horn to be postmaster at Sharon, Tenn., in place of R. W. Simmons. Incumbent's commission expired March 3, 1931.

TEXAS

William H. Craddock to be postmaster at Cisco, Tex., in place of F. A. Blankenbeckler, resigned.

Buford E. Robertson to be postmaster at Gilmer, Tex., in place of J. R. Melvin. Incumbent's commission expired February 10, 1932.

Robert F. McDermott to be postmaster at Goldthwaite, Tex., in place of A. J. Harrison. Incumbent's commission expired January 11, 1932.

John D. Fatheree to be postmaster at Hebronville, Tex., in place of E. M. Briscoe. Incumbent's commission expired March 21, 1932.

John P. Howe to be postmaster at Midland, Tex., in place of M. S. Ray. Incumbent's commission expired March 25, 1930.

Clara Sitton to be postmaster at Pyote, Tex., in place of A. J. Sitton, removed.

Herbert W. Scott to be postmaster at Throckmorton, Tex., in place of H. W. Scott. Incumbent's commission expired April 20, 1932.

Chester L. Lewis to be postmaster at Wheeler, Tex., in place of J. K. Clarke. Incumbent's commission expired December 11, 1930.

VERMONT

Porter F. Hunt to be postmaster at Derby Line, Vt., in place of G. S. Heath. Incumbent's commission expired December 21, 1929.

Lucy W. Gaul to be postmaster at North Bennington, Vt., in place of Ralph Gaul, deceased.

VIRGINIA

Charles G. Thomas to be postmaster at Fork Union, Va., in place of E. P. Burgess. Incumbent's commission expired January 29, 1931.

Frank G. Jones to be postmaster at Montvale, Va., in place of F. G. Jones. Incumbent's commission expired May 14, 1932.

Amos L. Cannaday to be postmaster at Pulaski, Va., in place of A. L. Cannaday. Incumbent's commission expired April 13, 1932.

Herbert C. Bolton to be postmaster at St. Paul, Va., in place of H. C. Bolton. Incumbent's commission expired May 14, 1932.

WEST VIRGINIA

Walter C. Price to be postmaster at Huntington, W. Va., in place of C. R. Varnum. Incumbent's commission expired May 19, 1930.

Charlie F. Baldwin to be postmaster at Madison, W. Va., in place of C. F. Baldwin. Incumbent's commission expired February 17, 1932.